



LODI CITY COUNCIL

Carnegie Forum
305 West Pine Street, Lodi

AGENDA – REGULAR MEETING

Date: August 5, 2009

Time: Closed Session 5:15 p.m.
Regular Meeting 7:00 p.m.

For information regarding this Agenda please contact:

Randi Johl

City Clerk

Telephone: (209) 333-6702

NOTE: All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 24 hours prior to the meeting date.

C-1 Call to Order / Roll Call

C-2 Announcement of Closed Session

- a) Threatened Litigation: Government Code §54956.9(b); One Case; Potential Suit by Roy Beams against City of Lodi Based on Personal Injury
- b) Actual Litigation: Government Code §54956.9(a); One Case; Nava v. City of Lodi, et al., San Joaquin County Superior Court, Case No. 39-2009-00211306-CU-PO-STK
- c) Actual Litigation: Government Code §54956.9; One Application; Curtis Gokey v. City of Lodi, WCAB Case Number STK 0207649 (12/31/05)
- d) Pursuant to Government Code §54956.9(c); Conference with Legal Counsel; Anticipated Litigation/Initiation of Litigation Regarding Potential Filing of Writ of Mandate against State Water Quality Control Board Challenging Wastewater Permit Order; One Potential Case

C-3 Adjourn to Closed Session

NOTE: THE FOLLOWING ITEMS WILL COMMENCE NO SOONER THAN 7:00 P.M.

C-4 Return to Open Session / Disclosure of Action

A. Call to Order / Roll call

B. Invocation – Reverend Alan Kimber, First United Methodist Church

C. Pledge of Allegiance

D. Presentations

D-1 Awards – None

D-2 Proclamations – None

D-3 Presentations

- a) Presentation of Certificate of Recognition to the Lodi-Tokay Rotary Club for Sponsoring the Lodi International Wine Awards
- b) Quarterly Update by the Greater Lodi Area Youth Commission (COM)

E. Consent Calendar (Reading; Comments by the Public; Council Action)

E-1 Receive Register of Claims in the Amount of \$12,439,795.87 (FIN)

- E-2 Approve Minutes (CLK)
 - a) July 14, 2009 (Shirtsleeve Session)
 - b) July 15, 2009 (Regular Meeting)
 - c) July 21, 2009 (Shirtsleeve Session)
 - d) July 28, 2009 (Shirtsleeve Session)
- E-3 Approve Specifications and Authorize Advertisement for Bids for Traffic Stripes for Various City Streets 2009 (PW)
- E-4 Accept Quarterly Investment Report as Required by Government Code Section 53646 (CM)
- E-5 Receive Quarterly Report of Purchases between \$5,000 and \$20,000 (CM)
- E-6 Ratify Aggregate Ultraviolet Lamp Purchases in Excess of City Manager Signature Authority (CM)
- Res. E-7 Adopt Resolution Authorizing the Purchase of Ultraviolet Light Disinfection Lamps for White Slough Water Pollution Control Facility from Coombs-Hopkins/DC Frost, of Walnut Creek (\$175,000) (PW)
- Res. E-8 Adopt Resolution Authorizing Purchase of Sodium Hydroxide for White Slough Water Pollution Control Facility from Sierra Chemical Company, of Sparks, Nevada (\$68,250) (PW)
- Res. E-9 Adopt Resolution Appropriating Funds and Concur with Emergency Repair of Irrigation Pump Motor Control Center Electrical Wiring at White Slough Water Pollution Control Facility (\$54,762) (PW)
- Res. E-10 Adopt Resolution Awarding Contract for Building Demolition at 17 East Elm Street Project to Double B Demolition, of Folsom (\$39,913) (PW)
- E-11 Approve Entry Agreement for White Slough Water Pollution Control Facility to Allow Department of Water Resources to Conduct Non-Invasive Tests and Authorize the City Manager to Execute the Agreement on Behalf of the City of Lodi (CA)
- Res. E-12 Adopt Resolution Approving Lease Extension to Lodi Adopt-A-Child for 100 East Pine Street and Authorizing the City Manager to Execute the Agreement on Behalf of the City of Lodi (CA)
- Res. E-13 Adopt Resolution Approving City of Lodi's Sewer System Management Plan (PW)
- Res. E-14 Adopt Resolution to Grant Another Designated Period for Two Years Additional Service Credit to the Street Maintenance Worker III Classification (CM)
- E-15 Approve Response to 2008-09 San Joaquin County Grand Jury Report Regarding Information Technology Security (CM)
- Res. E-16 Adopt Resolution Establishing Guidelines for a First-Time Home Buyer Program and Authorizing an Application to the State Department of Housing and Community Development for \$800,000 of HOME Funding (CD)

F. Comments by the Public on Non-Agenda Items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted.

Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

G. Comments by the City Council Members on Non-Agenda Items

H. Comments by the City Manager on Non-Agenda Items

I. Public Hearings

- I-1 Take Actions Pertaining to Affordable Senior Housing Project at 2245 Tienda Drive (CD)
- Res. a) Adopt Resolution Authorizing the City Manager to Execute an Exclusive Right to Negotiate with Eden Housing, Inc. Regarding Senior Housing Project at 2245 Tienda Drive
- Res. b) Conduct Public Hearing to Consider the Adoption of a Resolution Authorizing the Reallocation of Available Community Development Block Grant and HOME Program Funding to Eden Housing, Inc. for an Affordable Senior Housing Project

J. Communications

- J-1 Claims Filed Against the City of Lodi – None
- J-2 Appointments – None
- J-3 Miscellaneous – None

K. Regular Calendar

- K-1 Authorize the City Manager to Enter into a Professional Services Agreement with People Assisting Lodi Shelter (PALS) to Perform the Shelter's Administrative Functions as Directed in the 2009-10 Budget (CA)
- K-2 Authorization to Solicit Bids for Artificial Turf Design Services (PR)
- Res. K-3 Adopt Resolution Nominating Representative from the City of Stockton to the Special City Selection Committee for Appointment to the San Joaquin Valley Air Pollution Control District Governing Board (CLK)
- K-4 Approve Legal Expenses Incurred by Outside Counsel/Consultants Relative to the Environmental Abatement Program Litigation (\$3,500) (CA)

L. Ordinances – None

M. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Presentation of Certificate of Recognition to the Lodi-Tokay Rotary Club for Sponsoring the Lodi International Wine Awards

MEETING DATE: August 5, 2009

PREPARED BY: City Clerk

RECOMMENDED ACTION: Mayor Hansen to present Certificate of Recognition to the Lodi-Tokay Rotary Club for sponsoring the Lodi International Wine Awards.

BACKGROUND INFORMATION: The Lodi-Tokay Rotary Club sponsored the second annual Lodi International Wine Awards, which was held at Hutchins Street Square on March 9 with 30 judges from multiple states and 480 entries. The award celebration was held on April 1 at Hutchins Street Square with all proceeds benefiting the community. Mayor Hansen will present a Certificate of Recognition to the Lodi-Tokay Rotary Club in appreciation for the club's hard work and efforts in hosting this community event.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None.

Randi Johl
City Clerk

RJ/JMP

APPROVED: _____
Blair King, City Manager



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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Quarterly Update by the Greater Lodi Area Youth Commission

MEETING DATE: August 5th, 2009

PREPARED BY: Brad Vander Hamm, LYC Liaison

RECOMMENDED ACTION: Receive quarterly update from Greater Lodi Area Youth Commission (LYC).

BACKGROUND INFORMATION: The LYC desires to stay more connected to the City Council and the community by having current commissioners provide quarterly reports on the activities of the Commission.

FISCAL IMPACT: None

FUNDING AVAILABLE: None

Jim Rodems
Community Center Director

Prepared by: Brad Vander Hamm, Liaison
Greater Lodi Area Youth Commission

APPROVED: _____
Blair King, City Manager



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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive Register of Claims Dated July 2, July 9, and July 16, 2009 in the Total Amount of \$12,439,795.87

MEETING DATE: August 5, 2009

PREPARED BY: Financial Services Manager

RECOMMENDED ACTION: Receive the attached Register of Claims for \$12,439,795.87.

BACKGROUND INFORMATION: Attached is the Register of Claims in the amount of \$12,439,795.87 dated 07/02/09, 07/09/09, and 07/16/09. Also attached is Payroll in the amount of \$1,209,721.10.

FISCAL IMPACT: n/a

FUNDING AVAILABLE: As per attached report.

Ruby R. Paiste, Financial Services Manager

RRP/rp

Attachments

APPROVED: _____
Blair King, City Manager

Accounts Payable
Council Report

Page 1
Date - 07/21/09
Amount

As of Thursday	Fund	Name	Amount
07/02/09	00100	General Fund	524,043.52
	00160	Electric Utility Fund	8,131,922.58
	00161	Utility Outlay Reserve Fund	8,582.44
	00164	Public Benefits Fund	16,768.71
	00170	Waste Water Utility Fund	13,561.05
	00171	Waste Wtr Util-Capital Outlay	750.00
	00172	Waste Water Capital Reserve	4,037.94
	00180	Water Utility Fund	329.71
	00181	Water Utility-Capital Outlay	25,923.24
	00182	IMF Water Facilities	6,862.75
	00210	Library Fund	818.87
	00211	Library Capital Account	1,910.00
	00260	Internal Service/Equip Maint	6,493.21
	00270	Employee Benefits	21,833.08
	00300	General Liabilities	7,232.81
	00310	Worker's Comp Insurance	198,952.26
	00321	Gas Tax	51.03
	00325	Measure K Funds	9.34
	00340	Comm Dev Special Rev Fund	3,292.40
	00345	Community Center	8,038.45
	00346	Recreation Fund	2,416.13
	00501	Lcr Assessment 95-1	1,450.76
	01211	Capital Outlay/General Fund	1,115.33
	01212	Parks & Rec Capital	3,623.35
	01218	IMF General Facilities-Adm	2,407.50
	01250	Dial-a-Ride/Transportation	2,856.23
	01410	Expendable Trust	1,875.00
Sum			8,997,157.69
	00190	Central Plume	17.83
Sum			17.83
Total for Week			
Sum			8,997,175.52

Accounts Payable
Council Report

Page - 1
Date - 07/21/09
Amount

As of Thursday	Fund	Name	Amount
07/09/09	00100	General Fund	444,612.46
	00122	Equipment Replacement Fund	30.48
	00160	Electric Utility Fund	5,456.15
	00161	Utility Outlay Reserve Fund	125.86
	00164	Public Benefits Fund	200.00
	00170	Waste Water Utility Fund	113,555.69
	00171	Waste Wtr Util-Capital Outlay	240,655.50
	00172	Waste Water Capital Reserve	191.86
	00180	Water Utility Fund	7,333.28
	00182	IMF Water Facilities	2,573.53
	00210	Library Fund	1,806.54
	00211	Library Capital Account	12,676.05
	00230	Asset Seizure Fund	644.50
	00234	Local Law Enforce Block Grant	181.75
	00235	LPD-Public Safety Prog AB 1913	60.96
	00260	Internal Service/Equip Maint	26,333.26
	00270	Employee Benefits	434,022.91
	00310	Worker's Comp Insurance	42,849.47
	00321	Gas Tax	1,544.10
	00325	Measure K Funds	1,429.63
	00326	IMF Storm Facilities	6,380.00
	00340	Comm Dev Special Rev Fund	605.40
	00345	Community Center	2,850.22
	00346	Recreation Fund	1,898.28
	00550	SJC Facilities Fees-Future Dev	3,869.04
	01212	Parks & Rec Capital	1,092.00
	01250	Dial-a-Ride/Transportation	14,330.67
	01410	Expendable Trust	202,858.86
Sum			1,570,168.45
	00184	Water PCE-TCE-Settlements	84.00
Sum			84.00
Total for Week			
Sum			1,570,252.45

Accounts Payable
Council Report

Page - 1
Date - 07/21/09
Amount

As of Thursday	Fund	Name	Amount
07/16/09	00100	General Fund	650,515.86
	00160	Electric Utility Fund	70,893.90
	00161	Utility Outlay Reserve Fund	1,070.00
	00164	Public Benefits Fund	2,868.00
	00166	Solar Surcharge Fund	24,695.00
	00170	Waste Water Utility Fund	10,277.05
	00171	Waste Wtr Util-Capital Outlay	292,068.00
	00172	Waste Water Capital Reserve	669.90
	00173	IMF Wastewater Facilities	741.88
	00180	Water Utility Fund	2,553.73
	00181	Water Utility-Capital Outlay	213,125.00
	00182	IMF Water Facilities	741.88
	00210	Library Fund	1,259.44
	00211	Library Capital Account	90,400.00
	00260	Internal Service/Equip Maint	15,048.60
	00270	Employee Benefits	35,033.96
	00300	General Liabilities	1,165.60
	00310	Worker's Comp Insurance	285,197.00
	00321	Gas Tax	178.01
	00325	Measure K Funds	2,499.50
	00326	IMF Storm Facilities	741.87
	00332	IMF(Regional) Streets	10,523.93
	00340	Comm Dev Special Rev Fund	2,817.37
	00345	Community Center	19,661.43
	00346	Recreation Fund	4,252.12
	01211	Capital Outlay/General Fund	7,200.00
	01218	IMF General Facilities-Adm	2,317.50
	01250	Dial-a-Ride/Transportation	108,369.30
	01252	Transit-Prop. 1B	8,000.00
	01410	Expendable Trust	7,482.07
Sum			1,872,367.90
Total for Week			
Sum			1,872,367.90

Council Report for Payroll

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Date - 07/21/09

Payroll	Pay Per Date	Co	Name	Gross Pay
Regular	06/28/09	00100	General Fund	745,673.24
		00160	Electric Utility Fund	151,167.32
		00164	Public Benefits Fund	4,976.05
		00170	Waste Water Utility Fund	84,960.11
		00180	Water Utility Fund	1,382.52
		00210	Library Fund	29,948.69
		00235	LPD-Public Safety Prog AB 1913	2,293.55
		00260	Internal Service/Equip Maint	20,515.18
		00321	Gas Tax	49,223.85
		00340	Comm Dev Special Rev Fund	25,745.28
		00345	Community Center	30,133.67
		00346	Recreation Fund	57,517.39
		01250	Dial-a-Ride/Transportation	6,184.25
Pay Period Total:				
Sum				1,209,721.10



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CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Minutes
a) July 14, 2009 (Shirtsleeve Session)
b) July 15, 2009 (Regular Meeting)
c) July 21, 2009 (Shirtsleeve Session)
d) July 28, 2009 (Shirtsleeve Session)

MEETING DATE: August 5, 2009

PREPARED BY: City Clerk

RECOMMENDED ACTION: Approve the following minutes as prepared:
a) July 14, 2009 (Shirtsleeve Session)
b) July 15, 2009 (Regular Meeting)
c) July 21, 2009 (Shirtsleeve Session)
d) July 28, 2009 (Shirtsleeve Session)

BACKGROUND INFORMATION: Attached are copies of the subject minutes marked Exhibit A through D.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.

Randi Johl
City Clerk

RJ/JMP

Attachments

APPROVED: _____
Blair King, City Manager

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JULY 14, 2009**

The July 14, 2009, Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was canceled due to the lack of a quorum.

Informal Council Sub-Committee Meeting

Upon cancellation of the July 14, 2009, Informal Informational Meeting ("Shirtsleeve" Session), an informal sub-committee of the City Council, consisting of Mayor Hansen and Council Member Johnson, met at approximately 7:15 a.m. to receive general information regarding the water meter program. The minutes are as follows:

Public Works Director Wally Sandelin provided a PowerPoint presentation regarding the water meter program. Specific topics of discussion included policy review, estimated costs in May 2007, estimated costs today, who will pay what and when, payment options, policy direction versus proposed, proposed meter installation program, budget, funding, and implementation.

In response to Council Member Johnson, Mr. Sandelin stated the City Council previously decided that the purple area indicated on the map was going to pay \$200 because they already had the box.

In response to Mayor Hansen, Mr. Sandelin stated the proposal to charge everyone a flat rate of \$300 was rejected previously by the City Council.

City Manager King and Mr. Sandelin briefly reviewed the financing discussion the City Council had in March 2009 that excluded using the infrastructure replacement funds for water meter installation, which would have allowed for the flat rate.

In response to Council Member Johnson, Mr. Sandelin stated there will still be services in the back because there are a number of pipes that will not be moved.

In response to Council Member Johnson, Mr. Sandelin stated there will be two notices sent to property owners, one will detail the self-install option and the other will outline the City installation options.

In response to Mayor Hansen, Mr. Sandelin stated there is some borrowing within the water fund but not outside of that fund.

In response to Mayor Hansen, Mr. Sandelin stated part of the program includes providing rate payers as much data as possible on their water usage prior to the meter installation so that they will have an understanding of their current usage.

In response to Mayor Hansen, Mr. Sandelin stated there is a huge difference between the currently monitored properties and the difference is primarily based on larger versus smaller landscaping areas.

In response to Mayor Hansen, Mr. Sandelin stated all meters should be installed in the entire City by the end of 2013.

In response to Mayor Hansen, Mr. Sandelin stated if everyone utilizes the three-year payment

option the City should break even in the middle of 2015.

In response to Mayor Hansen, Mr. Sandelin stated there will be very little, if any, disruption to landscaping for property owners. He stated the only exception is for the few thousand property owners who have six inch or less mains in their backyard.

The informal discussion of the subcommittee ended at approximately 7:50 a.m.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, JULY 15, 2009**

C-1 Call to Order / Roll Call

The City Council Closed Session meeting of July 15, 2009, was called to order by Mayor Hansen at 6:15 p.m.

Present: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Absent: None

Also Present: City Manager King, Deputy City Attorney Magdich, and City Clerk Johl

C-2 Announcement of Closed Session

- a) Threatened Litigation: Government Code §54956.9(b); One Application; Potential Workers Compensation Claim by Michael Gold against City of Lodi (DOI: 11/3/07)
- b) Actual Litigation: Government Code §54956.9; One Application; Lance Hayden v. City of Lodi; WCAB #STK 214337 (3/10/08)
- c) Actual Litigation: Government Code §54956.9; One Application; Tim Bogetti v. City of Lodi, WCAB Case Number STK 0208706 (9/14/04)
- d) Actual Litigation: Government Code §54956.9; Four Applications; John Gail v. City of Lodi, WCAB Case Numbers STK 183128, STK 185784, STK 185786, and STK 183181 (CT 7/18/02)

C-3 Adjourn to Closed Session

At 6:15 p.m., Mayor Hansen adjourned the meeting to a Closed Session to discuss the above matters.

The Closed Session adjourned at 6:44 p.m.

C-4 Return to Open Session / Disclosure of Action

At 7:01 p.m., Mayor Hansen reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

Item C-2 (a) was discussion only.

In regard to Item C-2 (b), direction was given.

In regard to Items C-2 (c) and C-2 (d), settlement authority was given.

A. Call to Order / Roll call

The Regular City Council meeting of July 15, 2009, was called to order by Mayor Hansen at 7:01 p.m.

Present: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian,

Council Member Mounce, and Mayor Hansen

Absent: None

Also Present: City Manager King, Deputy City Attorney Magdich, and City Clerk Johl

B. Invocation - Barbara Taylor, Lodi Police Chaplain

C. Pledge of Allegiance

D. Presentations

D-1 Awards

a) Presentation of Firefighter of the Year 2008 Plaque to Fire Engineer Mike Woznick (FD)

Interim Fire Chief Kevin Donnelly presented the "Firefighter of the Year 2008" plaque to Fire Engineer Mike Woznick, after which Lindsay Reed, Field Representative for Assemblymember Alyson Huber, presented Mr. Woznick with a certificate on behalf of Ms. Huber.

D-2 Proclamations

a) Parks and Recreation Month (PR)

Mayor Hansen presented a proclamation to Recreation Commissioner David Akin proclaiming the month of July 2009 as "Parks and Recreation Month" in the City of Lodi.

D-3 Presentations

a) Presentation of Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting (CM)

Deputy City Manager Jordan Ayers presented the Government Finance Officers Association Certificate of Excellence in Financial Reporting to Supervising Accountant Cory Wadlow and Accountant II Odette Bondoc.

E. Consent Calendar (Reading; Comments by the Public; Council Action)

Mayor Hansen made a motion, second by Council Member Mounce, to approve the following items hereinafter set forth, **except those otherwise noted**, in accordance with the report and recommendation of the City Manager.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

E-1 Receive Register of Claims in the Amounts of \$1,900,190.42 and \$2,299,978.84 (FIN)

Claims were approved in the amount of \$1,900,190.42 and \$2,299,978.84.

E-2 Approve Minutes (CLK)

The minutes of June 16, 2009 (Shirtsleeve Session), June 17, 2009 (Regular Meeting), June 17,

2009 (Special Meeting), June 23, 2009 (Shirtsleeve Session), June 30, 2009 (Shirtsleeve Session), July 1, 2009 (Regular Meeting), and July 7, 2009 (Shirtsleeve Session) were approved as written.

- E-3 Adopt Resolution Rejecting all Bids and Authorizing Advertisement for Bids for the Annual Tree Trimming Contract (Power Line Clearing) for Electric Utility Department (\$375,000) (EUD)

Adopted Resolution No. 2009-92 rejecting all bids and authorizing advertisement for bids for the annual tree trimming contract (power line clearing) for Electric Utility Department in the amount of \$375,000.

- E-4 Authorize Lodi Police Department to Accept Donation of 2001 Ford F-150 Van from Ford Construction Company, Inc., of Lodi (PD)

Authorized the Lodi Police Department to accept donation of 2001 Ford F-150 van from Ford Construction Company, Inc., of Lodi.

- E-5 Adopt Resolution Awarding Contract for Grape Bowl Americans with Disabilities Act Construction Project to ICE Builders, Inc., of Rancho Cordova (\$283,039), and Appropriate Funds as Recommended (PW)

Adopted Resolution No. 2009-93 awarding the contract for Grape Bowl Americans with Disabilities Act Construction Project to ICE Builders, Inc., of Rancho Cordova, in the amount of \$283,039, and appropriating funds as recommended.

- E-6 Adopt Resolution Awarding Contract for Asphalt Materials for Fiscal Year 2009-10 to Granite Construction Company, of Stockton (\$28,791) (PW)

Adopted Resolution No. 2009-94 awarding the contract for Asphalt Materials for Fiscal Year 2009-10 to Granite Construction Company, of Stockton, in the amount of \$28,791.

- E-7 Accept Improvements under Contract for School Street and Spruce Street Wastewater Pipe Improvement Project (PW)

Accepted the improvements under the contract for School Street and Spruce Street Wastewater Pipe Improvement Project.

- E-8 Accept Improvements under Contract for Site Improvements at Lodi Lake Park, 1101 West Turner Road (PR)

Accepted the improvements under the contract for site improvements at Lodi Lake Park, 1101 West Turner Road.

- E-9 Approve Grant Funding for 2009-10 as Submitted by the Lodi Arts Commission (COM)

This item was pulled for further discussion by Mayor Hansen.

In response to Mayor Hansen, Arts Commissioner Laura Heinitz stated that, as part of the grant request, the applicant must show growth in the program. Ms. Heinitz stated the grant to the Lodi Community Band was decreased in light of the program generally remaining unchanged and the effort to spread out the overall funding across more groups. She stated the grant allocation process includes meeting the requirements of a scoring sheet.

In response to Council Member Hitchcock, Ms. Heinitz stated this is the first time the Commission has given a grant to the Pow Wow group and the funding may help the group kick start its program.

In response to Council Member Johnson, Ms. Heinitz stated the Lodi Community Band is one of the few groups that is taking the grant workshop in an effort to obtain supplemental grants.

Mayor Hansen made a motion, second by Council Member Mounce, to approve grant funding for 2009-10 as submitted by the Lodi Arts Commission.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

E-10 Approve Proposed Expenditure Program for Lodi's Share of the 2009 Edward Byrne Memorial Justice Assistance Grant (PD)

Approved the proposed expenditure program for Lodi's share of the 2009 Edward Byrne Memorial Justice Assistance Grant.

E-11 Adopt Resolution Amending the City of Lodi Drug and Alcohol Testing Policy and Drug and Alcohol Testing Procedure in Accordance with the Federal Transit Administration Drug and Alcohol Program Requirements (CM)

Adopted Resolution No. 2009-95 amending the City of Lodi Drug and Alcohol Testing Policy and Drug and Alcohol Testing Procedure in accordance with the Federal Transit Administration Drug and Alcohol Program requirements.

E-12 Adopt Resolution Authorizing Charter Service for the Listed Annual Events in Accordance with Charter Policy (PW)

Adopted Resolution No. 2009-96 authorizing charter service for the listed annual events in accordance with Charter Policy.

E-13 Adopt Resolution Establishing Policy Governing the Receipt and Distribution of Tickets and/or Passes (CA)

This item was pulled for further discussion by Council Member Hitchcock.

City Manager King and Deputy City Attorney Magdich provided an overview of the regulation as proscribed by the Fair Political Practices Commission, the rare occasion under which the proposed policy may apply, the public purpose required by the regulation for the policy, industry standards, and the consistency between the written policy and current practice.

Council Member Hitchcock made a motion, second by Council Member Johnson, to adopt Resolution No. 2009-99 establishing policy governing the receipt and distribution of tickets and/or passes.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian,

Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

E-14 Consent to Continued Representation of City of Lodi and Northern California Power Agency - Lodi Meter Maintenance (CA)

Consented to continued representation of City of Lodi and Northern California Power Agency - Lodi Meter Maintenance.

E-15 Adopt Resolution Renewing Line of Credit with Farmers and Merchants Bank (\$3,000,000) at No Cost to the City of Lodi for the Lodi Electric Utility through June 30, 2010 (CM)

Adopted Resolution No. 2009-97 renewing the line of credit with Farmers and Merchants Bank in the amount of \$3,000,000 at no cost to the City of Lodi for the Lodi Electric Utility through June 30, 2010.

E-16 Adopt Resolution Setting the Pay Rate for the Interim Fire Chief (CM)

Adopted Resolution No. 2009-98 setting the pay rate for the Interim Fire Chief.

E-17 Set Public Hearing for August 5, 2009, to Consider the Reallocation of Available Community Development Block Grant and HOME Program Funding to Eden Housing, Inc. for an Affordable Senior Housing Project (CD)

Set public hearing for August 5, 2009, to consider the reallocation of available Community Development Block Grant and HOME Program funding to Eden Housing, Inc. for an affordable senior housing project.

F. Comments by the Public on Non-Agenda Items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted. Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

Amy Blagg, representing the Lodi District Grape Growers Association, gave a brief presentation reviewing the Economic Impact Report for the wine and grape growing industry of the area. Ms. Blagg provided a copy of the report, which was made a part of the record.

G. Comments by the City Council Members on Non-Agenda Items

Council Member Johnson provided an overview of the City's BBB+ rating from Fitch and it's decision to not upgrade the rating based on the unstable condition of the State of California.

Mayor Hansen reported on his attendance at the project delivery meeting for San Joaquin Council of Governments where the specific topic of discussion was Highway 12. Mayor Hansen also stated he will be adjourning the meeting in memory of his brother Thomas William Hansen.

H. Comments by the City Manager on Non-Agenda Items

City Manager King provided a brief overview of the electric utility ratings from Fitch and Standard and Poor's, the decision by Fitch to not upgrade at the current time, and the overall effect to the City of the State budget difficulties.

I. Public Hearings

I-1 Public Hearing and Adopt Resolution Adjusting Wastewater Rates (PW)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Hansen called for the public hearing to adopt resolution adjusting wastewater rates.

City Manager King briefly introduced the subject matter of the wastewater rate adjustments.

Public Works Director Wally Sandelin provided a PowerPoint presentation regarding the wastewater rate adjustments. Specific topics of the discussion included background information, actions since April 15, 2009, operating costs increasing faster than indexing factors, regulatory environment, rate adjustments, increasing debt service, monthly rates effective date of July 16, 2009, rate comparisons, and staff recommendation.

In response to Council Member Hitchcock, Mr. Sandelin stated he will need to come back before the Council for additional staffing to meet regulatory requirements as the additional staff referenced in the model are not currently existing. Mr. Sandelin also stated the approximate cost for six new positions is \$600,000 and it is anticipated that three positions will be added next year with the remainder being added the following year.

In response to Council Member Hitchcock, Mr. Sandelin stated the decreases are primarily due to regulatory requirements and the decrease in development. Council Member Hitchcock requested a copy of the report detailing the summary of all accounts.

In response to Council Member Mounce, Mr. Sandelin stated the model is created by the same consulting firm that also worked on the bond issuance.

Pamela Reed, representing the Regional Water Quality Control Board, provided an overview of the duties of the Regional Board, its operations, and its relationship to local government agencies and the State Board.

In response to Mayor Hansen, Ms. Reed stated fines have been levied against many cities for non-compliance in meeting requirements.

In response to Mayor Hansen, Ms. Reed provided an overview of the Clean Water Act and related activities that led to its passage. Ms. Reed stated that, while the program was originally federally funded, she understands that it falls on the communities now.

In response to Council Member Mounce, Ms. Reed stated she does relay the communities' frustrations to her Board and the State Board; although, she has found the efforts are most effective when they come from the community itself. She stated both federal and state agencies have a say in the preparation of the documents and orders.

Discussion ensued between Council Member Mounce, Council Member Hitchcock, and Ms. Reed regarding the hardship that the complex regulations and orders for compliance bring upon communities and the related frustrations.

In response to Council Member Johnson, Ms. Reed stated that some of the groundwater concerns are brought up by sports and fishing groups and discussion ensued regarding providing communities a break in light of the difficult economic times.

In response to Mayor Hansen, Ms. Reed stated the minimum-maximum penalties, otherwise known as MMPs, came about through the legislative process and not through the Boards.

In response to Council Member Hitchcock, Mr. Sandelin stated approximately \$2.45 million was collected for wastewater, the current balance in infrastructure is \$15 million, the recommendation is for all funds to go into the general account and be transferred out for projects, the most conventional model is to collect in one fund and move to subfunds as necessary, and activity continues with or without the particular line item. Discussion ensued between Council Member Hitchcock and Mr. Sandelin regarding transparency and the reasoning behind creating the infrastructure account line item.

In response to Council Member Mounce, Mr. Sandelin confirmed that the prior Public Works Director believed the infrastructure line item was to address various items. Discussion ensued between Council Member Mounce and Mr. Sandelin regarding the benefits and detriments of collecting in one line item for distribution to a variety of projects.

Mayor Hansen opened the public hearing to receive comment.

Cecil Kramer spoke in opposition to the proposed rate increase based on his concerns regarding the financial hardship on rate payers and the overall economy.

Bill Crow spoke in opposition to the proposed rate increase based on his concerns regarding the financial hardship on rate payers and the overall economy.

Eunice Friederich spoke in opposition to the proposed rate increase based on her concerns regarding the financial hardship on rate payers, the overall economy, and the question of equality in providing services.

Bill Fuhs spoke in opposition to the proposed rate increase based on his concerns regarding the financial hardship on rate payers and the overall economy.

Robin Rushing spoke in opposition to the proposed rate increase based on his concerns regarding the financial hardship on rate payers and the overall economy.

Mayor Hansen closed the public hearing after receiving no further comments.

City Clerk Johl reported that less than 1% of valid protests were received, the protest is therefore not upheld, and official certified results would be available through the City Clerk's office the following day.

In response to Mayor Hansen, Mr. Sandelin stated Proposition 218 requires that notification be provided to those residents and property owners who reside or have property within the City limits. Mr. Sandelin stated a Jahant Road resident would not have received notification unless he owned property within the City limits.

In response to Mayor Hansen, Mr. Sandelin stated that, while he is not sure of the exact number, he can say that there are maybe ten or less septic tanks within the City.

In response to Council Member Mounce, Mr. Sandelin stated he is not aware of any specific efforts to address rates for unoccupied homes.

In response to Council Member Johnson, Mr. King stated the CSA 31 area cannot be expanded unilaterally by the County without City input.

In response to Council Member Johnson, Mr. King stated it was a business decision to direct the surcharge for Flag City to the General Fund.

In response to Council Member Hitchcock, Mr. Sandelin stated the increase will also be applicable to the County.

In response to Mayor Hansen, Mr. Sandelin stated the water utility has three activities, the best water scenario is that it is operating in surplus, the worst water scenario is that it is operating at a deficit, and there is not enough information yet to determine how the PCE fund is doing.

In response to Council Member Mounce, Mr. Sandelin stated the water meters need to be installed by 2026.

In response to Mayor Hansen, Mr. Sandelin stated the model shows that as the City gets to year 2017-2018 there will be no increases, staff is not sure what additional requirements and upgrades will come in the future, and the confidence in not having future increases could be affected by additional State mandates and modifications.

In response to Council Member Hitchcock, Mr. Sandelin stated staff will be coming back to Council every year with an account and model status and a mathematical error caused the overestimation.

In response to Mayor Pro Tempore Katzakian, Mr. King stated Proposition 218 recognizes that enterprise funds stand alone and Proposition 218 limits transfers primarily for direct costs.

Council Member Mounce stated she will not be voting in favor of the proposed recommendation based on her concerns of accountability in removing the line item and that infrastructure replacement and improvement projects will not occur in the needed parts of town.

Council Member Hitchcock stated she will not be voting in favor of the proposed recommendation based on her concerns of accountability in removing the line item and because she believes there are other options to be explored. Council Member Hitchcock requested additional accounting information, including reports, on the subject matter.

Council Member Johnson made a motion, second by Mayor Hansen, to adopt Resolution No. 2009-100 adjusting the wastewater rates.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Mayor Pro Tempore Katzakian, and Mayor Hansen

Noes: Council Member Hitchcock, and Council Member Mounce

Absent: None

J. Communications

J-1 Claims Filed Against the City of Lodi - None

J-2 Appointments

a) Appointments to the Greater Lodi Area Youth Commission (Adult Advisors): David Molvik

and Joseph Price (CLK)

Mayor Hansen made a motion, second by Council Member Johnson, to make the following appointments:

Greater Lodi Area Youth Commission (Adult Advisors)

David Molvik, Term to expire May 31, 2010

Joseph Price, Term to expire May 31, 2011

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

J-3 Miscellaneous - None

K. Regular Calendar

K-1 Council Direction Requested Regarding Response to the San Joaquin County Board of Supervisors for Armstrong Road Agricultural/Cluster Zoning Classification (CM) NOTE: This item is carried over from the meeting of 6/3/09

City Manager King provided a brief PowerPoint presentation regarding the Armstrong Road agricultural/cluster zoning subject matter. He specifically discussed the response of the Board of Supervisors to the concept, the history of the matter, intended outcome, additional background, vote by Board of Supervisors on April 21, 2009, City's proposed response, and potential next steps.

In response to Council Member Hitchcock, Interim Community Development Director Rad Bartlam stated he has reviewed the options and does not have a specific recommendation on how to proceed.

In response to Council Member Hitchcock, Mr. Bartlam stated the goal is not achieved by exercising an option to do nothing.

In response to Mayor Hansen, Mr. Bartlam confirmed the belief that, even if the City and property owners went through an additional process of acquiring property rights and other actions the Board has suggested, there still may not be enough votes on the Board to move the process forward.

In response to Council Member Hitchcock, Mr. Bartlam stated he does not see any sort of hybrid plan happening in the subject area because both the County and the Local Agency Formation Commission, who would need to be involved in the process, are not supportive of the concept.

In response to Mayor Pro Tempore Katzakian, Mr. King and Mr. Bartlam stated the General Plan needs to be completed and it would include an expanded area since it is a separate exercise.

Jerry Fry stated in his opinion it is best to let the property owners continue to work with the County and build coalitions within interested groups who may benefit from the process and overall effort.

In response to Mayor Hansen, Mr. Fry stated he believes that the County reaction is likely what it

is because of the negative history, the time spent over the years in trying to build consensus among the groups, and the perception of a potential Lodi separator.

In response to Council Member Hitchcock, Mr. Fry confirmed that the property owners will continue to pursue the matter, continue to build coalitions, and ask for the support of the City for the same. He confirmed that politics may play a role in the County's decision making process on this topic.

Bill Fuhs stated he is in support of the matter as recommended by the property owners as a farmer and a Common Cause member.

Osha Meserve, representing Citizens for Open Government, reviewed a variety of different options pertaining to cluster zoning in the specified area and submitted a letter stating the same for the record.

Ann Cerney, based on her recollection, provided an overview, history, and status of the subject matter of preserving an agricultural area between Stockton and Lodi. She urged the City Council to consider options suggested by Citizens for Open Government as outlined in the letter referenced by Osha Meserve.

The City Council provided general direction to staff to let the property owners, as they have recommended, pursue the matter further with the County and Board of Supervisors while building coalitions with interested parties and bringing the matter back to Council at an appropriate time in the future.

K-2 Provide Direction Regarding Lease Extension at 100 East Pine Street (Lodi Adopt-A-Child) (CM)

City Manager King provided a brief overview of the subject matter of extending the lease for the Lodi Adopt-A-Child facility and introduced Jerry Glenn as the President of Lodi Adopt-A-Child.

In response to Council Member Mounce, Mr. Glenn confirmed that there are trailers on the subject property, stating that the camper was donated and the Foundation is in the process of converting for utilization, a trailer is used to haul things, and a trailer is used for Christmas storage.

In response to Council Member Johnson, Mr. Glenn confirmed the Boy Scouts' use of the facility, stating the organization would be open for other non-profit uses although there has not been much interest to date. He stated the original lease was ten years.

In response to Council Member Mounce, Mr. Glenn stated he is not sure of what the room rental charge would be for uses by other groups.

Council Member Hitchcock disclosed that Jerry Glenn is her spouse and a financial interest does not exist.

In response to Council Member Hitchcock, Mr. Glenn stated they are working with the School District on the annual shopping spree for the children as well as having something year round to provide children with school clothing. Mr. King confirmed that any activity is allowed so long as it is consistent with the mission of Lodi Adopt-A-Child and he is not aware of any special restrictions that may exist with respect to utilizing the facility for children only.

In response to Council Member Hitchcock, Mr. Glenn stated the organization is working out the details of uniform distribution options with the School District.

Council Member Mounce made a motion, second by Council Member Johnson, to extend the lease for property located at 100 East Pine Street (Lodi Adopt-A-Child) as recommended.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

K-3 Notice of Cost to Grant Two Years Service Credit under Government Code Section 20903 (CM)

In response to Council Member Mounce, Mr. King confirmed that offering the two year service credit to others in the unit may help to bring back people subject to layoff pursuant to the budget. Mr. King stated the item is for notification purposes and formal action is not required.

K-4 Approve Legal Expenses Incurred by Outside Counsel/Consultants Relative to the Environmental Abatement Program Litigation (\$6,890) (CA)

Mayor Hansen made a motion, second by Council Member Mounce, to approve legal expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program Litigation in the amount of \$6,890, as detailed in the staff report.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: Council Member Hitchcock

Absent: None

L. Ordinances - None

M. Adjournment

There being no further business to come before the City Council, the meeting was adjourned Thursday, July 16, 2009, at 12:03 a.m., in memory of Thomas William Hansen, Mayor Hansen's brother, who passed away recently.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JULY 21, 2009**

The July 21, 2009, Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was canceled.

ATTEST:

Randi Johl
City Clerk

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JULY 28, 2009**

The July 28, 2009, Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was canceled due to the lack of a quorum.

ATTEST:

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Specifications and Authorize Advertisement for Bids for Traffic Stripes for Various City Streets 2009

MEETING DATE: August 5, 2009

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Approve specifications and authorize advertisement for bids for Extruded Thermoplastic Traffic Stripes for Various City Streets 2009.

BACKGROUND INFORMATION: This project provides for repainting of traffic stripes (lane lines) on approximately 20 percent of all striped City streets.

The major difference from previous lane line work will be the use of extruded thermoplastic material instead of the sprayed thermoplastic. This product costs an estimated 12 percent more but is expected to last 40 percent longer (five years vs. three years).

A recap of the types of lane line and quantities for this project is shown below:

<u>LANE LINES</u>	<u>MILES</u>
Broken White	.77
Broken Yellow	6.72
Double Yellow	4.27
Eight-Inch Solid White	.41
Four-Inch Solid White	1.49
Continuous Left	.81
Six-Inch Solid White	2.64
Six-Inch Skip	.27
Total Miles	17.38

The specifications are on file in the Public Works Department.

FISCAL IMPACT: This budgeted expense will assist the Streets and Drainage Division in its continuing effort to maintain the City's lane lines for visibility and safety.

FUNDING AVAILABLE: The money for this project will be coming from the 2009/10 Streets Capital Improvement (Street Fund 302035 and Measure K 325035)

F. Wally Sandelin
Public Works Director

Prepared by Curtis Juran, Assistant Street and Drainage Manager
FWS/CJ/dsg
cc: George M. Bradley, Streets and Drainage Manager
Mike Watson, Street Supervisor

APPROVED: _____
Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Accept the Quarterly Investment Report as Required by Government Code Section 53646

MEETING DATE: August 5, 2009

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Accept the quarterly report of the City of Lodi pooled money investments as required by Government Code Section 53646 and the City of Lodi Investment Policy.

BACKGROUND INFORMATION: Government Code Section 53646 and the City of Lodi Investment Policy require that local agency treasurers submit a quarterly report on investments to the legislative body of the local agency.

The total of all invested funds as of the quarter ending June 30, 2009 is \$73,332,465.68
The average annualized return on all invested funds over the quarter has been 1.46%

FISCAL IMPACT: N/A

FUNDING AVAILABLE: As per attached report.

Jordan Ayers
Treasurer

Attachment

APPROVED: _____
Blair King, City Manager



**CITY OF LODI
INTERNAL SERVICES DEPARTMENT
BUDGET DIVISION**

June 30, 2009 INVESTMENT STATEMENT

Local Agency Investment Funds *	78.0% of Portfolio	
Average interest earnings as of 6-30-09	1.51 %	
LODI	Local Agency Inv Fund (LODI)	33,276,991.03
LPIC	Local Agency Inv Fund (LPIC)	23,907,771.91
	Subtotal LAIF	57,184,762.94
 Certificates of Deposit	 0.1% of Portfolio	
SYS75 - matures 12/21/09	Bank of America (cost) 2.1% int.	100,000.00
	Subtotal CD	100,000.00
 Passbook/Checking Accounts	 21.9% of Portfolio	
Farmers & Merchants	demand account - no interest earnings	**1,449,236.72
Farmers & Merchants - Money Mkt.	1.27% interest earnings	6,415,925.12
Farmers & Merchants - Payroll	demand account - no interest earnings	5,354.79
Farmers & Merchants - Central Plume	demand account - no interest earnings	5,510.76
Farmers & Merchants - CP Money Mkt.	1.27% interest earnings	8,171,675.35
	Subtotal P/C Accts	16,047,702.74
	TOTAL	73,332,465.68

Based on the approved budget and to the extent the budget is adhered to, liquidity is available, and the City will be able to meet its expenditure requirements for the next six months. This portfolio is in compliance with the City of Lodi Investment Policy.

Kirk J Evans
Management Analyst

07/23/2009
Date

* In accordance with the terms of the Local Agency Investment Fund, invested funds may be utilized on the same day if transaction is initiated before 10:00 a.m.

** This amount was necessary in order to cover outstanding checks and payroll



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Quarterly Report of Purchases Between \$5,000 and \$20,000

MEETING DATE: August 5, 2009

PREPARED BY: Randy Lipelt, Buyer

RECOMMENDED ACTION: Information only. This report is made to the City Council in accordance with Lodi Municipal Code §2.12.060.

BACKGROUND INFORMATION: During the 2nd calendar quarter of 2009, the following purchases were awarded. Background information for each purchase is attached as Exhibits A through R.

Exh	Date	Contractor	Project	Award Amt.
A	4/02/09	Xerox	Multipurpose Paper for Public Works	\$5,051.81
B	4/02/09	Corporate Express Imaging	HP Toner Cartridges	\$8,097.31
C	4/03/09	Ingersoll Rand Security Technologies	Finance Department Relocation	\$14,883.27
D	4/07/09	Ramos Oil Company	White Slough Emergency Generator Diesel Purchase	\$12,462.85
E	4/09/09	American Solutions for Business	Utility Bills, Delinquent & Final Notices	\$5,659.89
F	4/16/09	Republic Sales & Manufacturing	White Slough Digester Mixing System Blower Purchase	\$9,205.95
G	4/15/09	Ingersoll Rand Security Technologies	MSC Transit Vehicle Maintenance Facility	\$15,177.33
H	4/16/09	Big Cozy Books	Lodi Public Library Phase I Renovation-Children's Area	\$11,848.46
I	4/22/09	Pennington Crossarm Company	Electric Utility Inventory	\$7,638.99
J	4/30/09	All-Phase Electric Supply	Electric Utility Inventory	\$9,145.88
K	5/04/09	Computer Products Corporation	Server Virtualization	\$12,671.00
L	5/18/09	Dawson Van & Storage	Interim Library Move	\$9,880.00
M	6/04/09	R & S Erection	Warehouse West Roll-Up Door Replacement	\$6,825.00
N	6/08/09	Demco	Lodi Public Library Renovation Phase 1	\$11,989.61
O	6/11/09	Survalent Technology	SCADA-software support	\$5,575.00
P	6/11/09	Alpha Enterprise	Transit Shop Floor Scrubber	\$9,782.06
Q	6/25/09	Birchard Company	Library Dual Book Drop	\$9,127.72
R	6/29/09	RMC Water & Environment	Water Meter Installation and Water Pipeline Relocation	\$9,500.00

FISCAL IMPACT: Varies by project. All purchases were budgeted in the 2008-09 Financial Plan.

FUNDING: Funding as indicated on Exhibits.

Jordan Ayers
Deputy City Manager/Internal Services Director

APPROVED: _____
Blair King, City Manager

EXHIBIT A

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Multipurpose Paper

DEPARTMENT: Public Works

CONTRACTOR Xerox

AWARD AMOUNT: \$5,051.81

**DATE OF
RECOMMENDATION:** April 2, 2009

BIDS OR PROPOSALS RECEIVED:

Xerox

\$5,051.81

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Quotes Q2612 & Q2613 received less than 30 days ago, pricing still valid.

Public Works projected 18 months supply to use funds available at present time.

FUNDING: 172026.1836.2300

Prepared by: Sherry R. Moroz

Title: Purchasing Technician

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: HP Toner Cartridges
DEPARTMENT: Public Works, Police, Parks, Accounting
CONTRACTOR Corporate Express Imaging
AWARD AMOUNT: \$8,097.31
**DATE OF
RECOMMENDATION:** April 2, 2009

BIDS OR PROPOSALS RECEIVED:

Corporate Express Imaging	\$8,097.31
Office Depot (minus 2 line items)	\$8,686.95
OfficeMax (minus 1 line item)	\$8,319.31

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

This is a routine order for toners, however, Public Works projected 18 months supply to use funds available at present time.

FUNDING: 172026.1836.2300 = \$ 7,280.77
101031.7307 = \$ 473.33
100503.7307 = \$ 319.07
346028.7307 = \$ 24.14

Prepared by: Sherry R. Moroz

Title: Purchasing Technician

Reviewed by: _____

EXHIBIT C

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Finance Department Relocation
DEPARTMENT: Public Works
CONTRACTOR Ingersoll Rand Security Technologies
AWARD AMOUNT: \$14,883.27
**DATE OF
RECOMMENDATION:** April 3, 2009

BIDS OR PROPOSALS RECEIVED:
Ingersoll Rand \$14,883.27

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Sole Proprietor for Security Access System to network with all other City facilities and main computer system at the Police Department.

FUNDING: Included in Project Budget

Prepared by: Gary Wiman

Title: Construction Manager

Reviewed by: _____

EXHIBIT D

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: White Slough Emergency Generator Diesel Purchase

DEPARTMENT: Public Works

CONTRACTOR Ramos Oil Company

AWARD AMOUNT: \$12,462.85

**DATE OF
RECOMMENDATION:** April 7, 2009

BIDS OR PROPOSALS RECEIVED:

Ramos Oil Company	\$12,462.85
E.F. Kludt & Sons Inc	\$14,181.00
Van De Pol Enterprises Inc	\$14,529.00

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

The City has been informed by Northern California Power Agency (NCPA), the City's primary power source, that our normal power will be interrupted April 13-16, 2009, for annual maintenance to their facility. During the outage, the City's wastewater facility will be powered by our onsite emergency generator. The diesel purchase is to replenish the fuel tank for the emergency generator used to supply backup power to run the White Slough Water Pollution Control Facility. To ensure the diesel is delivered in a timely manner, we are selecting the vendor on a current quote, although the actual cost of the diesel will be assessed at the time of delivery.

FUNDING: 170403.7355

Prepared by: Del Kerlin

Title: Wastewater Treatment
Superintendent

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Utility Bills, Delinquent & Final Notices
DEPARTMENT: Financial Services - Revenue & EUD Field Services
CONTRACTOR American Solutions for Business
AWARD AMOUNT: \$5,659.89
DATE OF RECOMMENDATION: April 9. 2009

BIDS OR PROPOSALS RECEIVED:

American Solutions for Business	\$5,659.89
Abrahamson Printing	\$5,815.52
Stratacom	\$5,820.08
Phenix Print & Image	\$8,091.00
Duncan Press	\$9,466.26

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

This is a routine order for utility bills, delinquent and final notices to be stored in a controlled climate environment in the Purchasing Division.

FUNDING: 100505.7201 = \$4,037.34
160621.7301 = \$1,622.55

Prepared by: Sherry R. Moroz

Title: Purchasing Technician

Reviewed by: _____

EXHIBIT F

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: White Slough Digester Mixing System Blower Purchase
DEPARTMENT: Public Works
CONTRACTOR Republic Sales & Manufacturing
AWARD AMOUNT: \$9,205.95
DATE OF RECOMMENDATION: April 16, 2009

BIDS OR PROPOSALS RECEIVED:

Republic Sales & Manufacturing	\$9,205.95
Industrial Electrical Company	\$10,260.56

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

The Roots Blower being requested is intended to provide redundancy in the event of a mechanical failure of one of the “duty” blowers. The blowers are used to mix the contents of the digesters ensuring proper operation of the anaerobic digestion system. Having backup mixing capabilities is needed to ensure the digesters meet regulatory requirements. Due to the corrosive nature of the use environment these blowers must operate, they typically only have a lifespan of 2-3 year before replacement is necessary.

FUNDING: 170403.7331

Prepared by: Del Kerlin

Title: Wastewater Treatment
Superintendent

Reviewed by: _____

EXHIBIT G

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: MSC Transit Vehicle Maintenance Facility
DEPARTMENT: Public Works
CONTRACTOR Ingersoll Rand Security Technologies
AWARD AMOUNT: \$15,177.33
DATE OF RECOMMENDATION: April 15, 2009

BIDS OR PROPOSALS RECEIVED:
Ingersoll Rand \$15,177.33

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Sole Proprietor for Security Access System to network with all other City facilities and main computer system at the Police Department.

FUNDING: Included in Project Budget: 332356.1825.2250; 182356.1825.2250;
173356.1825.2250

Prepared by: Gary Wiman

Title: Construction Manager

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Lodi Public Library Phase I Renovation-Children's Area
DEPARTMENT: Library
CONTRACTOR Big Cozy Books
AWARD AMOUNT: \$11,848.46
DATE OF RECOMMENDATION: April 16, 2009

BIDS OR PROPOSALS RECEIVED:
Big Cozy Books \$11,848.46

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Big Cozy Books is the manufacturer and distributor of this product. These items are not available from another source.

FUNDING: 211807.1836.2300 Donations from Library Foundation

Prepared by: Nancy Martinez

Title: Library Services Director

Reviewed by: _____

EXHIBIT I

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Electric Utility Inventory
DEPARTMENT: Electric Utility
CONTRACTOR Pennington Crossarm Company
AWARD AMOUNT: \$7,638.99
DATE OF RECOMMENDATION: April 22, 2009

BIDS OR PROPOSALS RECEIVED:
Pennington Crossarm Company \$7,638.99

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

These items are for the Electric Inventory. These crossarms will be used in the maintenance of the City of Lodi's electric system. Pennington Crossarm is a sole supplier to the City of Lodi. They were given the Purchase Order based on these facts.

FUNDING: 160.1496

Prepared by: Randy Lipelt

Title: Buyer

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Electric Utility Inventory
DEPARTMENT: Electric Utility
CONTRACTOR All Phase Electric Supply Inc
AWARD AMOUNT: \$9,145.88
DATE OF RECOMMENDATION: April 30, 2009

BIDS OR PROPOSALS RECEIVED:

All Phase Electric Supply Inc	\$9,145.88
Intraline	\$9,211.13
GEXPRO	\$9,450.38

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

These items are for the Electric Inventory. These streetlight poles and bases are for use as replacement parts for Cherokee Lane streetlights. These streetlight parts are use exclusively on Cherokee Lane. These streetlight parts are made to order for the City of Lodi by Union Metal. Union Metal does not sell direct. They use Associated Lighting Representatives as a Manufactures Representative. ALR uses distributors to sell product. The three vendors that can purchase through ALR were used and the low responsible bidder was selected for a Purchase Order.

FUNDING: 160.1496

Prepared by: Randy Lipelt

Title: Buyer

Reviewed
by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Server Virtualization
DEPARTMENT: ISD
CONTRACTOR Computer Products Corporation
AWARD AMOUNT: \$12,671.00
**DATE OF
RECOMMENDATION:** May 4, 2009

BIDS OR PROPOSALS RECEIVED:
Computer Products Corporation \$12,671.00

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Equipment will replace approximately five individual servers and put them into a “virtualized” environment. Equipment is Dell refurbished and certified in excellent condition with a one year warranty. Project will result in power and cooling reductions. Vendor specializes in refurbished equipment.

FUNDING: 123001.7359 (ISD Replacement Fund)

Prepared by: Steve Mann

Title: IS Manager

Reviewed by: _____

Purchase Order No.:

EXHIBIT L

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Interim Library Move
DEPARTMENT: Library
CONTRACTOR Dawson Van & Storage
AWARD AMOUNT: \$9,880.00
**DATE OF
RECOMMENDATION:** May 18, 2009

BIDS OR PROPOSALS RECEIVED:
Dawson Van & Storage (Mayflower) \$9,880.00

“NO BID” or NO RESPONSE RECEIVED:
Pacific Storage Company (Bekins)
Casey Moving Systems (United)
Starving Students

BACKGROUND INFORMATION & BASIS FOR AWARD:
Only one response was received for this project.

FUNDING: Library Renovation Fund 211807

Prepared by: Nancy Martinez

Title: Library Services Director

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Warehouse West Roll Up Door Replacement
DEPARTMENT: Public Works
CONTRACTOR R & S Erection
AWARD AMOUNT: \$6,825.00
DATE OF RECOMMENDATION: June 4, 2009

BIDS OR PROPOSALS RECEIVED:

R&S Erection	\$6,825.00
Industrial Door Company	\$6,988.79
Custom Garage Doors	\$8,180.00

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Lowest bid to replace existing door, track and motor operator. Door broke and cannot be raised or lowered.

FUNDING: 103511.7334

Prepared by: John Munoz

Title: Facilities Supervisor

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Lodi Public Library Renovation Phase 1
DEPARTMENT: Library
CONTRACTOR Demco
AWARD AMOUNT: \$11,989.61
DATE OF RECOMMENDATION: June 9, 2009

BIDS OR PROPOSALS RECEIVED:
Demco \$11,989.61

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Library furnishings are highly specialized items. The library staff has selected these pieces for their suitability and worked with company representatives to customize and finalize the furniture specifications to meet the needs of the library renovation project.

FUNDING: 211807.1829.2275

Prepared by: Nancy Martinez

Title: Library Services Director

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: SCADA-software support
DEPARTMENT: Electric Utility
CONTRACTOR Survalent Technology
AWARD AMOUNT: \$5,575.00
DATE OF RECOMMENDATION: June 11, 2009

BIDS OR PROPOSALS RECEIVED:
Survalent Technology \$5,575.00

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Survalent Technology provides the SCADA system that controls the Water, Electric, Storm and Lift Stations. An annual service agreement ensures our staff with technical support and software updates. This is a six month agreement. This will move the contract renewal to the calendar year.

FUNDING: 160653.7323

Prepared by: Abel Palacio Sr.

Title: Utility Operations Supervisor

Reviewed by: _____

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Transit Shop Floor Scrubber
DEPARTMENT: Public Works, Fleet Services
CONTRACTOR Alpha Enterprise
AWARD AMOUNT: \$9,782.06
DATE OF RECOMMENDATION: June 11, 2009

BIDS OR PROPOSALS RECEIVED:

Alpha Enterprise	\$9,782.06
Tennant Sales and Service Company	\$10,836.93
Steam Cleaners Stockton Inc	Non Compliant
Clean Source	\$11,425.25

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

A powered, Walk-Behind Floor Scrubber was anticipated as being needed for the new Fleet Transit Shop that just completed construction. This is a new piece of equipment that is necessary to keep the new Shop floor clean. Purchase was postponed until construction was finished to ensure that adequate funds remained; now that construction is done these funds are available.

FUNDING: 332356.7709

Prepared by: Dennis J. Callahan

Title: Fleet & Facilities Manager

Reviewed by: _____

EXHIBIT Q

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Library Dual Book Drop

DEPARTMENT: Library

CONTRACTOR Birchard Company

AWARD AMOUNT: \$9,127.72

**DATE OF
RECOMMENDATION:** June 25, 2009

BIDS OR PROPOSALS RECEIVED:

Birchard Company	\$9,127.72
Demco	\$10,302.38
Hopley Company	\$9,932.62

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

The Library Board of Trustees authorized the purchase of a dual book drop to accommodate print and non-print media at their May 11, 2009 meeting. The proposal from Birchard Company meets the specifications at the lowest price.

FUNDING: 211807.2300.1829

Prepared by: Nancy Martinez

Title: Library Services Director

Reviewed by: _____

EXHIBIT R

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: Water Meter Installation and Water Pipeline Relocation
DEPARTMENT: Public Works
CONTRACTOR: RMC Water and Environment
AWARD AMOUNT: \$9,500.00
DATE OF RECOMMENDATION: June 29, 2009

BIDS OR PROPOSALS RECEIVED:
RMC Water & Environment \$9,500.00

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

Sole Proprietor for providing development, preparation and finalizing of the RFP document for engineering services for the Water Meter Installation and Water Pipeline Relocation services project.

FUNDING: 181023.1825.2150

Prepared by: F. Wally Sandelin

Title: Public Works Director

Reviewed by: _____



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Ratify Aggregate UV Lamp Purchases In Excess of City Manager Signature Authority

MEETING DATE: August 5, 2009

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Ratify aggregate UV lamp purchases in excess of the City Manager signature authority.

BACKGROUND INFORMATION: Council has delegated signature authority to the City Manager for purchases up to \$20,000. During the 2nd calendar quarter of 2009, the Public Works Department made multiple purchases of ultraviolet (UV) lamps for use in the disinfection process at the White Slough Wastewater Pollution Control Facility. While the individual purchases were within the City Manager's signature authority, the aggregate of the purchases exceeds the City Manager's signature authority. While this situation is a gray area of the purchasing policy, in this circumstance, it is prudent to have the Council ratify the purchases. In the future, a blanket contract to purchase UV lamps will be brought to the Council for approval. Background information for the three purchases in Q2 2009 is attached as Exhibits A, B and C.

Exh	Date	Contractor	Project	Award Amt.
A	4/21/09	DC Frost Associates Inc	White Slough UV Lamp Replacement	\$19,536.71
B	5/05/09	DC Frost Associates Inc	White Slough UV Lamp Replacement	\$19,255.13
C	6/23/09	DC Frost Associates	White Slough UV Lamp Replacement	\$19,255.13

FISCAL IMPACT: All purchases were budgeted in the 2008-09 Financial Plan.

FUNDING: Funding as indicated on Exhibits.

Jordan Ayers
Deputy City Manager/Internal Services Director

Attachments

APPROVED: _____
Blair King, City Manager

EXHIBIT A

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: White Slough UV Lamp Replacement
DEPARTMENT: Public Works
CONTRACTOR Coombs-Hopkins & DC Frost
AWARD AMOUNT: \$19,536.71
DATE OF RECOMMENDATION: April 21, 2009

BIDS OR PROPOSALS RECEIVED:
Coombs-Hopkins & DC Frost \$19,536.71

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

UV Lamps, ballast, and quartz sleeves are used in the wastewater treatment process to disinfect treated wastewater before it is discharged to Dredger Cut or used by our customers (NCPA and San Joaquin Vector Control District). Coombs-Hopkins & DC Frost are the manufacturer's representatives for Trojan Technologies, Inc., who is the manufacturer of our UV system and the sole supplier for all the parts utilized in their system. The UV lamps being purchased will be part of an ongoing operations and maintenance costs as they near their operational life expectancy of 12,000 hours. Future purchases will follow as the remaining lamps reach their life expectancy. The lamp replacement costs have been anticipated and are included in the 2008-2009 Wastewater Budget.

FUNDING: 170403.7331

Prepared by: Del Kerlin

Title: Wastewater Treatment
Superintendent

Reviewed by: _____

Purchase Order No.: 18512

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: White Slough UV Lamp Replacement
DEPARTMENT: Public Works
CONTRACTOR Coombs-Hopkins & DC Frost
AWARD AMOUNT: \$19,255.13
DATE OF RECOMMENDATION: May 5, 2009

BIDS OR PROPOSALS RECEIVED:
Coombs-Hopkins & DC Frost \$19,255.13

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

UV Lamps, ballast, and quartz sleeves are used in the wastewater treatment process to disinfect treated wastewater before it is discharged to Dredger Cut or used by our customers (NCPA and San Joaquin Vector Control District). Coombs-Hopkins & DC Frost are the manufacturer's representatives for Trojan Technologies, Inc., who is the manufacturer of our UV system and the sole supplier for all the parts utilized in their system. The UV lamps being purchased will be part of an ongoing operations and maintenance costs as they near their operational life expectancy of 12,000 hours. Future purchases will follow as the remaining lamps reach their life expectancy. The lamp replacement costs have been anticipated and are included in the 2008-2009 Wastewater Budget.

FUNDING: 170403.7331

Prepared by: Del Kerlin

Title: Wastewater Treatment
Superintendent

Reviewed by: _____

Purchase Order No.: 18559

RECOMMENDATION FOR CONTRACT AWARD

PROJECT NAME: White Slough UV Lamp Replacement
DEPARTMENT: Public Works
CONTRACTOR Coombs-Hopkins & DC Frost
AWARD AMOUNT: \$19,255.13
DATE OF RECOMMENDATION: June 23, 2009

BIDS OR PROPOSALS RECEIVED:
Coombs-Hopkins & DC Frost \$19,255.13

“NO BID” or NO RESPONSE RECEIVED:

BACKGROUND INFORMATION & BASIS FOR AWARD:

UV Lamps, ballast, and quartz sleeves are used in the wastewater treatment process to disinfect treated wastewater before it is discharged to Dredger Cut or used by our customers (NCPA and San Joaquin Vector Control District). Coombs-Hopkins & DC Frost are the manufacturer's representatives for Trojan Technologies, Inc., who is the manufacturer of our UV system and the sole supplier for all the parts utilized in their system. The UV lamps being purchased will be part of an ongoing operations and maintenance costs as they near their operational life expectancy of 12,000 hours. Future purchases will follow as the remaining lamps reach their life expectancy. The lamp replacement costs have been anticipated and are included in the 2008-2009 Wastewater Budget.

FUNDING: 170403.7331

Prepared by: Del Kerlin

Title: Wastewater Treatment
Superintendent

Reviewed by: _____



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution Authorizing Purchase of Ultraviolet (UV) Light Disinfection Lamps for White Slough Water Pollution Control Facility from Coombs-Hopkins/DC Frost, of Walnut Creek (\$175,000)

MEETING DATE: August 5, 2009

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution authorizing the purchase of ultraviolet (UV) light disinfection lamps for the White Slough Water Pollution Control Facility (WSWPCF) from Coombs-Hopkins/DC Frost, of Walnut Creek, in the amount of \$175,000.

BACKGROUND INFORMATION: UV lamps are the most important fixtures in the disinfection system at WSWPCF. The City no longer uses chlorine compounds to treat wastewater, thereby avoiding the risks associated with chlorine handling and eliminating disinfection byproducts that have been determined to be harmful to the environment.

The disinfection system became operational in 2005. Since then, staff has reduced costs by replacing the UV lamps only when they reach the manufacturer's recommended maximum 12,000-hour lamp life. The new 2007 Waste Discharge Permit requires treatment to Title 22 requirements and the California Department of Health Services has determined that to meet these requirements, the maximum lamp life must be held to no more than 9,000 hours. To assure continual compliance with the Discharge Permit, the City needs to install 1,100 new UV lamps in six of 10 banks of the disinfection system. The lamps being replaced have reached or exceeded their useful life.

The lamps will be supplied by Coombs-Hopkins/DC Frost, the representative for Trojan Technologies, Inc., the sole supplier of replacement parts for the system. The lamps will be installed by City staff.

FISCAL IMPACT: The cost to replace the lamps is \$175,000. Failure to install the lamps would subject the City to State fines. The anticipated annual cost to maintain the lamps within maximum operating hours is estimated at \$150,000.

FUNDING AVAILABLE: White Slough Water Pollution Control Facility Operating fund (170403)

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

Prepared by Del Kerlin, Wastewater Treatment Superintendent
FWS/CS/dk

cc: D. Stephen Schwabauer, City Attorney
Del Kerlin, Wastewater Treatment Superintendent

Charles E. Swimley, Jr., Water Services Manager

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING PURCHASE OF ULTRAVIOLET (UV)
LIGHT DISINFECTION LAMPS FOR THE WHITE
SLOUGH WATER POLLUTION CONTROL FACILITY

=====

WHEREAS, ultraviolet (UV) light disinfection lamps are the most important fixtures in the disinfection system at the White Slough Water Pollution Control Facility; and

WHEREAS, to remain in compliance with the White Slough Water Pollution Control Facility discharge permit, the City needs to install 1,100 new UV lamps in six of ten banks of the disinfection system. The lamps will be supplied by Coombs-Hopkins/DC Frost, the representative for Trojan Technologies, Inc., which is the sole supplier of replacement parts for the UV system. City staff will install the lamps.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the purchase of ultraviolet (UV) light disinfection lamps for the White Slough Water Pollution Control Facility from Coombs-Hopkins/DC Frost, of Walnut Creek, California, in the amount of \$175,000.

Dated: August 5, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 5, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing Purchase of Sodium Hydroxide for White Slough Water Pollution Control Facility from Sierra Chemical Company (SCC), of Sparks, Nevada (\$68,250)

MEETING DATE: August 5, 2009

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution authorizing the purchase of sodium hydroxide for the White Slough Water Pollution Control Facility from Sierra Chemical Company, of Sparks, Nevada, in the amount of \$68,250.

BACKGROUND INFORMATION: Quotes were recently requested for the purchase of sodium hydroxide. The sodium hydroxide, also known as caustic soda, is needed to adjust the pH of the effluent discharged from the Treatment Facility in order to maintain water quality in compliance with our discharge permit.

Requests for quotes were sent to prospective vendors on June 11, 2009. Two quotes were received and are reflected in the summary below:

Bidder	Location	Bid
Sierra Chemical Company (SCC)	Sparks, NV	\$68,250 (\$2.73/gal.)
Basic Chemical Solutions (BCS)	Santa Fe Springs, CA	\$69,500 (\$2.78/gal.)

FISCAL IMPACT: As the annual usage for these chemicals may vary depending on the quantity and strength of the wastewater treated, the approximate annual purchase may also vary. The operating budget has sufficient funds available to cover these purchases.

FUNDING AVAILABLE: The money for these purchases will be coming from the White Slough Water Pollution Control Facility Operating Budget in the current 2009/10 budget (170403).

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

Prepared by Del Kerlin, Wastewater Treatment Superintendent
FWS/CS/ki

cc: D. Stephen Schwabauer, City Attorney
Charles E. Swimley, Jr., Water Services Manager
Del Kerlin, Wastewater Treatment Superintendent

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE PURCHASE OF SODIUM
HYDROXIDE FOR USE AT THE WHITE SLOUGH
WATER POLLUTION CONTROL FACILITY

=====

WHEREAS, on June 11, 2009, the City of Lodi solicited bids from vendors for the delivery of sodium hydroxide, also known as caustic acid, to the White Slough Water Pollution Control Facility; and

WHEREAS, two quotes were received as summarized below:

Bidder	Location	Bid
Sierra Chemical Company (\$2.73/gallon)	Sparks, NV	\$ 68,250
Basic Chemical Solutions (\$2.78/gallon)	Santa Fe Springs, CA	\$ 69,500

WHEREAS, as the annual usage for sodium hydroxide may vary depending on the quantity and strength of the wastewater treated, the approximate annual purchase may also vary.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the purchase of sodium hydroxide for the White Slough Water Pollution Control Facility in the amount of \$68,250 from Sierra Chemical Company, of Sparks, Nevada.

Dated: August 5, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 5, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Appropriating Funds and Concur with Emergency Repair of Irrigation Pump Motor Control Center Electrical Wiring at White Slough Water Pollution Control Facility (\$54,762)

MEETING DATE: August 5, 2009

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution appropriating \$54,762.41 and concur with emergency repair of the irrigation pump motor control center electrical wiring at White Slough Water Pollution Control Facility; declaring a local emergency; and dispensing with the City's bidding requirements in accordance with Lodi Municipal Code Section 3.20.070.

BACKGROUND INFORMATION: On Thursday, June 25, 2009, the electrical wiring between the irrigation pump motor control center (MCC) and the electric service panel failed. The failure impacted plant operations and could have led to discharge violations. In response to this urgent situation and to expedite the repair, staff requested the assistance of Western Water Constructors, Inc., (WWC). WWC recently completed the Phase 3 improvements, is very familiar with the facility, and had the equipment and manpower available to immediately assist with the repair work. With the help of WWC, the repairs were completed on July 1, 2009 in an efficient and timely manner without impacting facility operations.

This is the earliest opportunity to seek Council concurrence.

Plant staff worked with WWC to obtain the necessary portable generator, labor, and materials to maintain plant operations. The repair work included removing and replacing 1,000 feet of 30-year-old electrical wiring between the irrigation pump MCC and the electric service panel and providing temporary power to the pumps so that they could remain in operation during the repair work.

The work was performed on a Time and Materials basis with WWC providing all required documentation to support the costs.

FISCAL IMPACT: By performing the repairs, the City has upgraded the reliability of the irrigation pump operations and mitigated future potential issues with this electrical wiring.

FUNDING AVAILABLE: Funding is available from the proceeds of the 2007 Certificates of Participation (172026).

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

Prepared by Gary Wiman, Construction Project Manager
FWS/GW/pmf
cc: Charles Swimley, Water Services Manager

Del Kerlin, Wastewater Treatment Superintendent

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL DECLARING A
LOCAL EMERGENCY, DISPENSING WITH THE CITY'S BIDDING
REQUIREMENTS, CONCURRING WITH EMERGENCY REPAIR OF
IRRIGATION PUMP MOTOR CONTROL CENTER ELECTRICAL WIRING
AT WHITE SLOUGH WATER POLLUTION CONTROL FACILITY AND
FURTHER APPROPRIATING FUNDS

=====

WHEREAS, on June 25, 2009, the electrical wiring between the irrigation pump motor control center (MCC) and the electric service panel failed. The failure impacted plant operations and could have led to discharge violations; and

WHEREAS, in response to this urgent situation and to expedite the repair, staff requested the assistance of Western Water Constructors, Inc., (WWC). WWC recently completed the Phase 3 improvements, is very familiar with the facility, and had the equipment and manpower available to immediately assist with the repair work; and

WHEREAS, the repair work included removing and replacing 1,000 feet of 30-year old electrical wiring between the irrigation pump MCC and the electric service panel and providing temporary power to the pumps so that they could remain in operation during the repair work; and

WHEREAS, the work was performed on a Time and Materials basis with WWC providing all required documentation to support the costs.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby concurs with and declares a local emergency for the emergency repair of the irrigation pump motor control center electrical wiring at the White Slough Water Pollution Control Facility and dispenses with the City's bidding requirements for this project; and

BE IT FURTHER RESOLVED that funds in the amount of \$54,762.41 be appropriated from the proceeds of the 2007 Certificates of Participation.

Dated: August 5, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 5, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Awarding Contract for Building Demolition at 17 East Elm Street Project to Double B Demolition, of Folsom (\$39,913)

MEETING DATE: August 5, 2009

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution awarding the contract for the Building Demolition at 17 East Elm Street Project to Double B Demolition, of Folsom, in the amount of \$39,912.80.

BACKGROUND INFORMATION: This project will include the proper removal of asbestos material, the demolition of an existing 8,000 square foot building (with a full basement), site clean-up and grading, and the installation of approximately 200 lineal feet of chain link fence at 17 East Elm Street.

The City-owned parcel at 17 East Elm Street includes an abandoned building which is in a state of disrepair. The building is littered with debris, and the floor over the basement is unstable.

Community Development Block Grant Funds will be used to pay for the work involved in the asbestos abatement, the demolition of the building, the chain link fencing, and the clean-up of this site.

Plans and specifications for this project were approved on April 15, 2009. The City received the following eleven bids for this project on July 1, 2009.

Bidder	Location	Bid
Engineer's Estimate		\$83,240.00
Double B Demolition	Folsom	\$39,912.80
W.C. Maloney	Stockton	\$48,717.20
Jim Thorpe Oil	Lodi	\$52,896.00
Evans Brothers	Livermore	\$66,565.00
Pantano Excavating	Manteca	\$71,268.80
Delta Demolition	Brentwood	\$72,113.40
Delta Oilfield	Woodland	\$81,462.00
Diede Construction	Lodi	\$84,247.29
Matthews Demolition	Fresno	\$103,881.60
PARC Specialty	Sacramento	\$104,890.40
Soil Enterprises	Brentwood	\$127,399.40

FISCAL IMPACT: There should be a slight reduction in maintenance costs with the removal of this building and the clean-up of this parcel.

FUNDING AVAILABLE: Community Development Block Grant Funds (\$46,000)

Jordan Ayers
Deputy City Manager/Internal Services Director

F. Wally Sandelin
Public Works Director

Prepared by Wesley K. Fujitani, Senior Civil Engineer
cc: City Attorney
Fleet and Facilities Manager

Purchasing Officer
Community Improvement Manager

APPROVED: _____
Blair King, City Manager

**BUILDING DEMOLITION
AT 17 EAST ELM STREET**

CONTRACT

CITY OF LODI, CALIFORNIA

THIS CONTRACT made by and between the CITY OF LODI, State of California, herein referred to as the "City," and DOUBLE B DEMOLITION, INC., herein referred to as the "Contractor."

WITNESSETH:

That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other, as follows:

The complete Contract consists of the following documents which are incorporated herein by this reference, to-wit:

Notice Inviting Bids	The July 1992 Edition,
Information to Bidders	Standard Specifications,
General Provisions	State of California,
Special Provisions	Business and Transportation Agency,
Bid Proposal	Department of Transportation
Contract	
Contract Bonds	
Plans	

All of the above documents, sometimes hereinafter referred to as the "Contract Documents," are intended to cooperate so that any work called for in one and not mentioned in the other is to be executed the same as if mentioned in all said documents.

ARTICLE I - That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the City and under the condition expressed in the two bonds bearing even date with these presents and hereunto annexed, the Contractor agrees with the City, at Contractor's cost and expense, to do all the work and furnish all the materials except such as are mentioned in the specifications to be furnished by the City, necessary to construct and complete in a good workmanlike and substantial manner and to the satisfaction of the City the proposed improvements as shown and described in the Contract Documents which are hereby made a part of the Contract.

ARTICLE II - The City hereby promises and agrees with the Contractor to employ, and does hereby employ, the Contractor to provide all materials and services not supplied by the City and to do the work according to the terms and conditions for the price herein, and hereby contracts to pay the same as set forth in Section 5.600, "Measurement, Acceptance and Payment," of the General Provisions, in the manner and upon the conditions above set forth; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

ARTICLE III - The Contractor agrees to conform to the provisions of Chapter 1, Part 7, Division 2 of the Labor Code. The Contractor and any Subcontractor will pay the general prevailing wage rate and other employer payments for health and welfare, pension, vacation, travel time, and subsistence pay, apprenticeship or other training programs. The responsibility for compliance

compliance with these Labor Code requirements is on the prime contractor.

ARTICLE IV - And the Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials and for doing all the work contemplated and embraced in this agreement; also for all loss or damage arising out of the nature of the work aforesaid or from the action of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by the City, and for all risks of every description connected with the work; also for all expenses incurred by or in consequence of the suspension or discontinuance of work and for well and faithfully completing the work, and the whole thereof, in the manner and according to the Plans and Contract Documents and the requirements of the Engineer under them, to-wit:

Perform the work necessary to complete the abatement of asbestos material, demolition of an 8,000 square foot building (with full basement), removal and disposal of demolition debris, backfill of basement, site grading, and other incidental and related work, all as shown on the plans and specifications for "Building Demolition at 17 East Elm Street".

CONTRACT ITEMS

ITEM NO.	DESCRIPTION	UNIT	EST'D. QTY	UNIT PRICE	TOTAL PRICE
1.	Abatement of Asbestos Material (Roofing mastic)	LF	300 (F)	\$ 6.00	\$ 1,800.00
2.	Site Clean-Up	LS	1	\$ 2,000.00	\$ 2,000.00
3.	Demolition of Structure	LS	1	\$ 7,442.00	\$ 7,442.00
4.	Basement Backfill	CY	2,400	\$ 3.33	\$ 7,992.00
5.	Removal and Disposal of Demolished Structure	LS	1	\$ 15,000.00	\$15,000.00
6.	Chain-Link Fence	LF	220	\$ 21.04	\$ 4,628.80
7.	16-Foot Swing Gate Installation	EA	1	\$ 1,050.00	\$ 1,050.00
				TOTAL	\$39,912.80

(F) Denotes Final Pay Quantity

ARTICLE V - By my signature hereunder, as Contractor, I certify that I am aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

ARTICLE VI - It is further expressly agreed by and between the parties hereto that, should there be any conflict between the terms of this instrument and the Bid Proposal of the Contractor, then this instrument shall control and nothing herein shall be considered as an acceptance of the said

acceptance of the said terms of said proposal conflicting herewith.

ARTICLE VII - The City is to furnish the necessary rights-of-way and easements and to establish lines and grades for the work as specified under the Special Provisions. All labor or materials not mentioned specifically as being done by the City will be supplied by the Contractor to accomplish the work as outlined in the specifications.

ARTICLE VIII - The Contractor agrees to commence work pursuant to this contract within 5 calendar days after the Contractor has been issued a building permit and to diligently prosecute to completion within 15 WORKING DAYS.

WHEN SIGNING THIS CONTRACT, THE CONTRACTOR AGREES THAT THE TIME OF COMPLETION FOR THIS CONTRACT IS REASONABLE AND THE CONTRACTOR AGREES TO PAY THE CITY LIQUIDATED DAMAGES AS SET FORTH IN SECTION 6-04.03 OF THE SPECIAL PROVISIONS. CONTRACTOR AGREES THAT THIS AMOUNT MAY BE DEDUCTED FROM THE AMOUNT DUE THE CONTRACTOR UNDER THE CONTRACT.

IN WITNESS WHEREOF, the parties to these presents have hereunto set their hands the year and date written below.

CONTRACTOR:

CITY OF LODI

By: _____

Blair King
City Manager

By: _____

Date: _____

Attest:

Title

City Clerk

(CORPORATE SEAL)

Approved As To Form

D. Stephen Schwabauer
City Attorney



RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING CONTRACT FOR BUILDING
DEMOLITION AT 17 EAST ELM STREET

=====

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on July 1, 2009, at 11:00 a.m. for the Building Demolition at 17 East Elm Street project, described in the specifications therefore approved by the City Council on April 15, 2009; and

WHEREAS, said bids have been checked and tabulated and a report thereof filed with the City Manager as follows:

Bidder	Bid
Engineer's Estimate	\$83,240.00
Double B Demolition	\$39,912.80
W.C. Maloney	\$48,717.20
Jim Thorpe Oil	\$52,896.00
Evans Brothers	\$66,565.00
Pantano Excavating	\$71,268.80
Delta Demolition	\$72,113.40
Delta Oilfield	\$81,462.00
Diede Construction	\$84,247.29
Matthews Demolition	\$103,881.60
PARC Specialty	\$104,890.40
Soil Enterprises	\$127,399.40

WHEREAS, staff recommends awarding the contract for the Building Demolition at 17 East Elm Street project to the low bidder, Double B Demolition, of Folsom, California.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby award the contract for the Building Demolition at 17 East Elm Street project to the low bidder, Double B Demolition, of Folsom, California, in the amount of \$39,912.80.

Dated: August 5, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 5, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2009-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Entry Agreement for White Slough Water Pollution Control Facility to allow Department of Water Resources to conduct noninvasive tests, and Authorize the City Manager to Execute the Agreement on behalf of the City of Lodi.

MEETING DATE: August 5, 2009

SUBMITTED BY: City Attorney

RECOMMENDED ACTION: Approve Entry Agreement with Department of Water Resources, and authorize the City Manager to Execute the Agreement on behalf of the City.

BACKGROUND INFORMATION: The Department of Water Resources requires access to White Slough to perform studies for the Environmental Impact Report for the "Bay Delta Restoration Plan," otherwise known as the Peripheral Canal. Compensation is minimal at \$500.00 for noninvasive entries. Staff has negotiated revisions to the agreement to require further agreement prior to any entry that would impact operations. The State would have the power to require access through eminent domain absent entry of this Agreement.

FISCAL IMPACT: \$500 in revenue.

D. Stephen Schwabauer
City Attorney

APPROVED: _____
Blair King, City Manager

OWNER: City of Lodi

Project: Bay Delta Conservation Plan (BDGP)

DWR Parcel No(s): DCAS-703

County: San Joaquin

APN(s): 055-150-29

TEMPORARY ENTRY PERMIT

OWNER gives permission to the Department of Water Resources of the State of California (DWR) and its officers, employees, agents and contractors, to enter with all necessary equipment onto OWNER's land in the county of San Joaquin, State of California, generally described as Assessor's Parcel No(s). 055-150-29, marked on the attached map (Property). This permission is granted for the purpose of conducting the activities described in Exhibit A of this Permit, including ground and aerial surveys, engineering, biological, geological, archaeological, floral and faunal studies, Phase 1 Environmental Site Assessments, and for other incidental purposes as may be required. This permission is subject to the following conditions:

1. DWR will exercise reasonable precautions to avoid damages and to protect persons and property. DWR's survey and investigation team members shall read and heed all signs posted as notification of potentially hazardous chemical substances used on the Property.

DWR agrees not to unreasonably interfere with operations on the Property. DWR shall limit vehicular and pedestrian access to those routes reasonably identified by OWNER or his/her representative. If access is by dirt roads, every effort will be made by DWR to avoid producing excess dust and to avoid access by vehicles where muddy conditions could cause damage to the roads.

DWR acknowledges that the Property may include, without limitation, the use of pesticides, herbicides, fertilizer or other chemical substances (collectively "Substances"). DWR hereby agrees to accept and assume any and all risks of injury or damage arising from or relating to entry upon or use of the Property including, without limitation, injury or damage from exposure to Substances, except for such risks caused by the gross negligence or intentional tortious conduct of OWNER.

2. DWR understands and agrees that any information gathered on OWNER's property in accordance with activities described in Exhibit A of this Permit and for other incidental purposes as may be required is highly sensitive and strictly confidential, and shall be maintained by DWR with the utmost confidence. DWR agrees that such information about the Owner's property, operations, practices, the land's environmental data, etc. obtained by the implementing agency or any of its employees, officers agents, contractors and/or representatives shall remain strictly confidential and shall not be disclosed or revealed to outside sources or used for any manner inconsistent with this Permit agreement, except as required by law.

Subject to conditions listed in Civil Code Section 1798.24, DWR shall establish and implement appropriate and reasonable administrative, technical, and physical safeguards to ensure the security and confidentiality of records.

[Continued on Page 2]

OWNER's Name, Address, and Phone No.

CITY OF LODI, a municipal corporation

P. O. Box 3006, Lodi, CA 95241

Phone No. (209) 333-6700

Signature BLAIR KING, City Manager

Attest:

Signature RANDI JOHL, City Clerk

Date: _____

APPROVED AS TO FORM:

D. STEPHEN SCHWABAUER, City Attorney



CONSENT OF TENANT(S)

We, the Tenants of the Property described in this Temporary Entry Permit, are under lease with OWNER, hereby consent to the execution of this Temporary Entry Permit. We also agree that all damages payable will be paid to OWNER as described above.

Signature _____

Date: _____

Recommended for Acceptance:

► Karen G. Shine, Staff Counsel III Date _____

► Quentin Green, Land Agent Date _____

► Carolyn Dabney, Senior Land Agent Date _____

ACCEPTED:

Department of Water Resources of the State of California

► Allan T. Davis,
Supervising Land Agent

Date: _____

(Mailing Address of Tenant if different than above)

Phone No. _____

OWNER: City of Lodi

Project: Bay Delta Conservation Plan (BDCP)

DWR Parcel No(s): DCAS-703

County: San Joaquin

APN(s): 055-150-29

[Continued from Page 1]

3. DWR will only record information of the type indicated within the delineated areas(s), and will not record or disclose any inadvertently observed information of significance, such as special status species or its location, outside of the delineated areas(s) unless otherwise required by law.
4. OWNER assumes no liability for loss of property, damage to property, or injuries to or deaths of agents, contractors, or employees of DWR by reason of the exercise of privileges given under this Permit.
5. \$500.00 represents the probable damage amount of compensation for entry by DWR and/or its contractors. OWNER will receive this sum up front upon execution of this Permit.
6. Nothing in this Permit precludes OWNER from filing a claim(s) with the State Victim Compensation and Government Claims Board for any loss or expense that OWNER or its tenant may suffer that is caused by DWR or that is due to exercise by DWR of the rights granted by this Permit if the actual damages and interference exceeds the amount paid by DWR.
7. In addition to the payment made pursuant to Paragraph 5 of this Permit, DWR agrees to indemnify and hold OWNER harmless from any physical damage, including physical damage to OWNER's crops, actually and proximately caused by the activities authorized by this Permit. DWR also agrees to either reimburse OWNER for any damage to OWNER's roads, fences, or other property occurring by reason of the exercise of rights granted herein, or to replace or restore said Property.
8. DWR's access to the Property may occur at various times during the day. In some instances, depending on the species being studied, DWR access may also occur in the late evening or after dark. To complete the studies, DWR staff will require access to the Property for one (1) day up to sixty (60) **non-consecutive days**. DWR will give OWNER a minimum of five (5) days verbal notification to be followed by written notification; however, when practical, DWR will attempt to provide OWNER more notice. The verbal notification will include a description of the activities that will be conducted on the Property and as much as possible, a description of the area to be surveyed. The written notification will confirm the verbal notification and will provide OWNER information pertaining to the purpose of the various types of studies to be conducted on the Property and the point of contact(s) for DWR. If so indicated by OWNER prior to entry by DWR, DWR shall only come onto the Property with a representative of OWNER and shall be escorted during DWR's entire visit. OWNER understands that no compensation will be provided for any expenses related to escorting DWR staff on the Property.
9. Following compilation of the data gathered and within sixty (60) days of OWNER's written request, DWR will provide OWNER with all data, including but not limited to notes, surveys, reports, and photographs, obtained from any investigation on the Property.
10. This permit expires on December 31, 2011, but DWR's access to the Property during that time period will be limited to no more than sixty (60) non-consecutive days.
11. OWNER does not waive any claim or right of legal action.
12. Notwithstanding anything in this Agreement to the contrary, DWR will provide 30 days notice of any access or studies/surveys which could impact the operations of the OWNER, the San Joaquin County Vector Control District, the Northern California Power Agency, or any other tenant of OWNER (i.e. any access that entails more than passive observation). Upon such notice, OWNER shall have 15 days to notify DWR if such access or studies/surveys will unreasonably impact OWNER'S operations and have the right to refuse the access or studies/surveys.

Exhibit A

PROJECT STUDIES AND SCOPING

For purposes of the Temporary Access Permit, all survey-related activities will be conducted by qualified and trained DWR personnel and/or authorized representatives (contractors/consultants) under the direction of a DWR Project Manager. DWR may conduct the following checked activities:

☒ I. GEODETIC MAPPING

Geodetic mapping involves measuring the shape and area of the Property by using the exact position of geographical points as a reference. The geodetic mapping activities will require the installation of targets on the Property and then using a small aircraft to take photographs while flying over the Property. All flights will occur during daylight hours and two (2) flights will be required. Those flights will be spaced several weeks apart. Mapping will require from one (1) to three (3) site visits. Site visits may last up to eight (8) hours in duration and will require two (2) persons on the first site visit and one (1) person on any subsequent site visits.

In addition to the small aircraft, equipment used to complete the mapping activity will include standard survey trucks and, if the Property is muddy, all terrain vehicles for property access. A tripod, a hand-held receiver, antenna and data collector unit will also be used. The targets will be set by using a sledgehammer to drive iron pipe flush with the ground surface. The iron pipes will be placed at the center of an aerial ground target. GPS surveying equipment will then be used to determine the exact location of the target. If livestock is present, chicken wire (or a similar type of fence fabric) will be installed around the target marker by using a hand-held staple gun and hammer. Staff will return with GPS equipment to resurvey, check, clean, and repair the target when necessary. After the second aerial flight has been completed, staff will return to remove target material from the ground surface. Property owners may elect to retain the iron pipes installed on the Property for future use.

Field surveying will occur to study possible future project alignments. Surveying activities will use two (2) by two (2) inch wood lath-stakes with flagging attached to the stakes and they will be placed in the ground following a lineal progression that may traverse the Property. Survey crews consisting of three (3) to five (5) individuals will be on site during daylight hours. Site visits may occur on non-consecutive days and may take from six (6) to sixteen (16) hours to complete. Survey crews will use a vehicle and hand-held field surveying equipment to complete field surveys.

Geodetic, mapping, and surveying activities in the study area may have a significant impact on any future design, scheduling and/or cost of a preferred alignment for a future project.

☒ II. ENGINEERING GEOLOGY

Geologic activities will include field surveying, mapping and geotechnical exploration. The geotechnical exploration will include auger and/or mud rotary drilling, soils sampling using a Standard Penetrometer Test (SPT) barrel and Shelby tubes, Cone Penetrometer Testing (CPT), resistivity surveys, and the installation and monitoring of groundwater monitoring wells. The excavation of test pits is possible. Prior to exploration activities, several site inspections will be needed to evaluate access, potential environmental restrictions, potential cultural and archaeological resources, the locations of underground utilities, etc. Engineering Geology Activities: Site exploration will be performed in phases. Those phases are to measure electrical resistivity, drill exploration and installation of test pits. Activities for each phase can last from a few hours to a few days and are described as follows:

1. Electrical resistivity measurements will be taken that require personnel to set up equipment and perform tests. Electrical resistivity equipment consists of hand-held and suit case-size equipment. Four (4) one-half inch diameter steel probes are temporarily hammered about twelve inches deep into the ground and are connected together with wires. Measurements of voltage and current are taken between pairs of electrodes. Test measurements take approximately thirty (30) minutes to complete. At completion probes and equipment are removed. Measurements may require up to four (4) vehicles and up to six (6) staff on site at any one time.
2. Geologic test pits will be necessary to determine the depths of ground water. Geologic test pits are approximately twenty (20) feet long by four (4) feet wide, and will be excavated to a depth of approximately twelve (12) feet using a standard size backhoe, equivalent in size to a John Deer, Model 580. Installation of test pits may require from two (2) to four (4) persons. Once test pits have been installed, it is estimated from one (1) to two (2) persons and one (1) vehicle will return to the site for monitoring purposes. Site visits may last up to thirty minutes in duration and will occur on non-consecutive days.
3. Drill exploration will generally be performed using an eight-inch diameter auger which is usually trucked-mounted and powered by an industrial engine with 200 to 300 cubic inches of displacement, equipped with a muffler and spark arrester.

The only dust hazard associated with this equipment is dust resulting from driving to and from drill sites. Prior to drilling or digging, USA (Underground Service Alert) will be contracted to mark all known utility lines. Soil samples will be obtained for testing. The depth of test holes will vary from about five (5) feet to one-hundred feet. Test holes will be spaced approximately every one-thousand feet apart. An associated truck or small loader with a "Baker Tank" will be on site to dispose of drilling mud and cutting from rotary drilling. Additional vehicles may be present at short time intervals to deliver supplies. The drilling time required for each drill hole is normally less than two (two) work days.

Geologic, surveying, and mapping activities in the study area may have a significant impact on any future design, scheduling and/or cost of a preferred alignment for a future project.

☒ **III. UTILITIES**

Inventory of existing utilities will consist of a review of public records and a walking survey of the Property. Records review and walking survey are completed in compliance with best practices as outlined by the California Public Utilities Commission. Site reconnaissance consists of ground surveys with minimal ground disturbance which may require shallow scraping of surface soils, one to three inches deep, in small localized areas.

☒ **IV. CULTURAL RESOURCES**

Cultural resources studies include both archaeological surveys and architectural and historic resource evaluations. Archaeological surveys involve walking through the Property and recording any archaeological resources that are observed on the ground surface. If the ground surface is not visible due to vegetation, surveyors may use a hand trowel to perform minimally invasive clearance of vegetation. Photographs and Global Positioning System (GPS) location readings will be taken to record archaeological resources. Architectural and historic resource evaluations will involve noting the structures present on the Property (houses, barns, sheds, etc.) and historic features (e.g., levees) within the study area. Photographs and GPS location readings will also be taken.

A site visit will be conducted in order to perform a Phase 1 Cultural Resources inventory in compliance with the California Environmental Quality Act and the National Historic Preservation Act implementing regulations. Site reconnaissance will consist of ground surveys with minimal ground disturbance and may require shallow scraping of surface soils, at a depth of one (1) to three (3) inches, in small, localized areas.

The presence of cultural resources within the study area that are eligible for listing in either the California Register, Historical Resources Register, or the National Register of Historic Places may have a significant impact on any future design, scheduling and/or cost of a preferred alignment for a future project.

☒ **V. ENVIRONMENTAL STUDIES**

The environmental surveys involve a variety of specialties and primarily consist of observations made by environmental specialists. Minor ground disturbances with a shovel or hand trowel may be required. Any holes will be filled and compacted immediately. Regardless of the surveys to be conducted, DWR will restore the Property, as near as possible, to its original condition.

A. Botanical Surveys: Surveys will include walking and photographing the Property, recording plant species, collecting unknown plant species, making wetland delineations (when applicable) and examining the soil. The Property will be accessed by small vehicle and/or a small boat. Hand-held GPS receivers, cameras, and hand-held shovels will be used to complete the surveys. Holes will be dug approximately two (2) feet wide by two (2) feet deep in order to study soils. Any disturbance of property soils will be minor and will be returned to the original condition to the best extent possible. All botanical surveys and delineations will be conducted during daylight hours during the months of February through October. It is anticipated that botanical surveys will take from one (1) to four (4) days to complete and that from one (1) to six (6) persons may be on the Property at a time. Should wetlands be found, an additional one (1) to four (4) days may be needed to complete delineations.

B. Fisheries Studies: Habitat evaluations for various sensitive fish species may include evaluation of water depth, flow velocities, water quality, riparian vegetation, and channel substrate. Fish sampling in adjacent sloughs may require vehicle access for transport of nets and other sampling equipment. Fisheries Studies fall into three generalized survey categories and are described as follows:

1. **Recreation Surveys** will include identification and observation of any existing recreation use on the Property as well as adjacent waterways. Identification and observations will require: documentation of the types of current activities on the Property and equipment used; the estimation of number of people who use the Property; interviews to gain information about

visitor origin, residence, and habits; determining the season(s) of use (if any); and scoping the potential for future recreational use. Studies will require from one (1) to two (2) persons each site visit. Equipment used for the surveys will include hand-held cameras, binoculars, and clipboards. Personnel will use a vehicle while on site. Site visits will occur between 7:00 a.m. and 7:00 p.m. A typical site visit takes less than one hour to complete; however, in some instances to obtain meaningful interviews with recreationists, some site visits may take up to four (4) hours to complete. Depending on the type of recreation being observed, personnel may visit the site once a day, or up to five times per day. Recreational activities tend to be seasonal and will be observed on non-consecutive days between the months of March and November. During those months personnel may be on the Property for up to thirty non-consecutive (30) site visits.

2. Fisheries Surveys will include surveying all rivers and streams on the Property that may be within a sensitive fish species distribution range, and will include the visual evaluation of habitat including upland and riparian vegetation. Activities to conduct water quality sampling of temperature and dissolved oxygen content, water depth and flow-velocities will include the use of a vehicle, a small boat or kayak, binoculars, buckets, seines and nets, fish measuring boards and microscopes. The days and hours required to complete surveys will occur two (2) weeks a month, for three (3) days each week, and may last up to eight (8) hours each day in order to complete the surveys. It is anticipated that the months of surveys will occur will be between September and May.

3. Hydrologic Surveys will include identification and characterization of drainage, streams, creeks and wetland delineations, storm water drains, and storm water flow patterns that may impact water quality. Equipment required to conduct hydrologic surveys will include a vehicle and a small boat. All hydrologic surveys will occur during daylight hours and will take from two (2) to four (4) persons to complete the survey. Surveys may require from one (1) to six (6) site visits to complete and will occur on non-consecutive days during the wet and dry seasons.

C. Wildlife Surveys: Habitat evaluations will be completed for all sensitive species of reptiles and amphibians that could occur in the study area (giant garter snake, western pond turtle, California red-legged frog, and California tiger salamander) with the potential for surveys to determine whether the species are present as well as their distribution on the Property. Surveys of wildlife fall into three generalized categories and are described as follows:

1. Vernal Pool Surveys: Aerial photograph interpretation with soil characterizations for likelihood of vernal pool presence will be completed. Location of vernal pools based on vegetation, soil characteristics, ponding, and the presence of invertebrates may occur. If fairy shrimp/tadpole shrimp are present on the Property, then protocol level surveys must be performed on non-consecutive days, occurring intermittently over a period of two years to determine the presence or absence of fairy shrimp/tadpole shrimp. Once it is determined that a vernal pool has a listed species, the pool will no longer need to be surveyed. The required time on site will be determined by the pools' ability to hold water for at least two weeks to begin a survey, invertebrate fauna, and rainfall. Surveys will require the use of a vehicle, binoculars, digital camera, handheld Global Positioning System (GPS) unit, a dip net, and other collection equipment. All activities will occur during daylight hours. The anticipated months of performing surveys are between the months of November and May. Dependent upon the number of pools found (if any), four (4) surveys occurring on non-consecutive days per during the wet season, for two consecutive wet seasons, may be required.

2. Reptilian and Amphibian Surveys: Evaluations of aquatic and upland habitats for sensitive species of reptiles and amphibians will occur on the Property and will include visual walking surveys of the Property. A variety of methods will be used to complete surveys and may include trapping of species using floating aquatic traps. Equipment used will include vehicles, kayaks, shovels, thermometers, wind meters, tap measures, scales, dip-nets, seines, cast nets, minnow traps, diffences and pit-fall traps approximately one (1) foot in diameter dug in the ground. Any disturbance of property soils will be minor and will be returned to normal to the best extent possible. Surveys will require a crew of from one (1) to six (6) persons. Site visits to the Property will occur depending upon the habitat and species surveyed and can occur both during day and night hours. It is estimated that no more than five (5) night visits to the Property will be required. Sites visits will occur on non-consecutive days and will occur during wet and dry seasons. During rainy periods site visits may occur up to seven days per week.

3. Avian Surveys: Evaluation of habitat for sensitive bird species will include observations from vehicles or walking surveys of the Property. Equipment used will include vehicles, binoculars/spotting scopes, cameras, GPS units and laptop computers. Surveys may be up to two (2) days for a maximum of eight hours in duration. It is anticipated surveys will occur from March through September and also in the month of December. Two surveys per year may be required and surveys will be conducted for multiple years.

4. Mammal Surveys: Surveys will be completed for Riparian Brush Rabbit, Riparian Woodrat, and Bat species. Surveys for Riparian Brush Rabbit and Riparian Woodrat will be via species-specific trapping in riparian scrub and riparian forest habitat. Habitat evaluation surveys for various sensitive bat species will be conducted, and in a very few instances, habitat may be surveyed for the bat species themselves, via netting and vocalization surveys. A two person crew will be involved for each survey. The type of equipment utilized includes All-terrain vehicles (ATVs), maps, GPS units, Rabbit and Woodrat traps, flagging, track plates, auto-photography units, computer equipment, and kayaks/canoes in very rare instances, bat-nets,

anabat equipment, photography equipment, and computer equipment. The Rabbit and Woodrat surveys may take as many as ten days per year, eight hours in duration and may occur in the early morning, evening, or night hours. The bat surveys may take as many as ten days per year, six hours in duration occurring during evening and night hours. The anticipated survey months are February through November. Surveys will be for the durations previously described and will occur on two consecutive years. Survey requirements and entry on the properties are subject to change depending on the result of the first year's surveys.

D. After-Survey Monitoring In addition to the surveys described above, information concerning the occurrence of threatened or endangered species at sites containing potential habitat for the species, or sites designated as critical for the species, must be obtained through properly conducted surveys carried out by a permitted biologist.

Environmental surveying and monitoring activities in the study area may have a significant impact on any future design, scheduling and/or cost of a preferred alignment for a future project.

☒ **VI. PHASE 1 ENVIRONMENTAL SITE ASSESSMENT**

The purpose of the Phase 1 Environmental Site Assessment is to evaluate the study area for potential environmental hazards or degradation caused by the release of hazardous materials. The study area can consist of all parcels and adjacent properties within and outside the study area, including access roads and staging areas. This investigation will include the review of historic land use and land title records; federal and State regulatory agency environmental databases; consultation with local environmental health officials, communication with the current land owners or operators.

Phase 1 Environmental Site Assessment will include entering the Property to perform site reconnaissance in accordance with the American Society of Testing materials (ASTM), Standard Practice for Environmental Site Assessment; Phase 1 Environmental Site Assessment Process Designation 1527-05 and newly adopted federal regulations pursuant to 40 code of Federal Regulation, Part 312 – Standards and Practices for all Appropriate Inquires. Site assessment will include the use of a 3/4 ton pickup or a kayak or canoe where appropriate, and will include walking the Property, making visual observations, and documenting visual observations and recording locations of "recognized environmental conditions" using GPS, digital photography, and tape measures. Should it be determined that the collection of samples are necessary, a hand-auger, three (3) inches in diameter will be used to auger to a maximum soil depth of fifteen (15) feet. A shovel will be used for surface work and replacement of soil extracted from the collection of samples. Any disturbance of property soils will be minor and will be returned to pre-survey conditions to the best extent possible. Whenever possible, a predetermined sampling location will be identified prior to taking samples. Best efforts will be used to avoid breaking through pavement or concrete.

Site visits will occur only during daylight hours, most likely between the hours of 8:00 a.m. to 7:00 p.m. and will require from one (1) to three (3) staff persons on site. Visits may last up to a day and a half in duration. If the Property is large in size, multiple visits may be required, but no more than five (5) site visits will be required for Phase 1 Environmental Site Assessment activities.

The presence of recognized environmental conditions within the study area may have a significant impact on any future design, scheduling and/or cost of a preferred alignment for a future project.



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt a Resolution Approving Lease Extension to Lodi Adopt-A-Child for 100 East Pine Street, and authorize the City Manager to execute the Agreement on behalf of the City of Lodi.

MEETING DATE: August 5, 2009

PREPARED BY: City Attorney's Office

RECOMMENDED ACTION: Adopt a Resolution Approving Extension of Lease to Lodi-Adopt-A-Child for 100 East Pine Street, and further authorize the City Manager to execute the agreement on behalf of the City of Lodi.

BACKGROUND INFORMATION: The City entered into a lease with the Lodi Adopt-A-Child Foundation on May 28, 2002, for the property located at 100 East Pine Street. The lease expires in May 2012. Lodi Adopt-A-Child now desires to extend the lease term for an additional eight years to May 28, 2020. In exchange for Council's approval of the extension, Lodi Adopt-A-Child, at its sole cost and expense, will repave the parking lot located on the property.

FUNDING AVAILABLE: N/A

FISCAL IMPACT: N/A

Janice D. Magdich
Deputy City Attorney

APPROVED: _____
Blair King, City Manager

FIRST AMENDMENT TO LEASE AGREEMENT
FOR USE OF CITY BUILDING
LOCATED AT 100 EAST PINE STREET, LODI, CALIFORNIA
BY
LODI ADOPT-A-CHILD, A NON-PROFIT 501(C) 3
COMMUNITY-BASED ORGANIZATION

THIS FIRST AMENDMENT TO LEASE AGREEMENT FOR USE OF CITY BUILDING LOCATED AT 100 EAST PINE STREET, LODI, CALIFORNIA, is made and entered into this ____ day of _____, 2009, by and between the CITY OF LODI, a municipal corporation, hereinafter called "Owner", and LODI ADOPT-A-CHILD FOUNDATION, a non-profit 501(c)3 community-based organization, hereinafter called "Lessee."

BACKGROUND:

1. Lessee and Owner entered into a Lease dated May 28, 2002 concerning property owned by the City of Lodi and located at 100 East Pine Street, Lodi, California ("Lease") for the operation of the Lodi Adopt-A-Child.
2. Lessee desires to extend the lease term for an additional eight (8) years.
3. Accordingly, the parties have entered into this First Amendment to Lease Agreement on the terms and conditions set forth below.

AGREEMENT:

NOW THEREFORE the parties agree as follows:

1. Lessee, at its sole cost and expense, will re-pave the parking lot located at 100 East Pine Street, Lodi, California, in exchange for Owner granting an 8-year extension of the term of the Lease, the extended term being May 28, 2012 through May 28, 2020.
2. Paragraph 3 of the Lease is amended as follows:
 3. TERM: The term of this Agreement shall be from May 28, 2002 through and including May 28, 2020. Lease may be extended by mutual agreement, and with City Council approval, for an additional term to be determined by Council.
3. AFFIRMATION OF REMAINING TERMS. All other terms of the Lease shall remain in full force and effect except to the extent they conflict with this Amendment.

IN WITNESS WHEREOF, Owner and Lessee have executed this Amendment on the date and year first above written.

CITY OF LODI, a municipal corporation
hereinabove called "Owner"

LODI ADOPT-A-CHILD FOUNDATION, a
nonprofit 501(c)3 community based organization
hereinabove called "Lessee"

By: _____
BLAIR KING, City Manager

By: _____
JERRY GLENN, Executive, Director

Attest:

RANDI JOHL, City Clerk

Approved as to Form:

JANICE D. MAGDICH, Deputy City Attorney

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING LEASE EXTENSION TO LODI ADOPT-A-
CHILD FOR 100 EAST PINE STREET, AND FURTHER
AUTHORIZING THE CITY MANAGER TO EXECUTE
THE AMENDMENT TO THE LEASE AGREEMENT ON
BEHALF OF THE CITY OF LODI

=====

WHEREAS, the City entered into a lease with the Lodi Adopt-A-Child Foundation on May 28, 2002, for the property located at 100 East Pine Street, which expires in May 2012; and

WHEREAS, Lodi Adopt-A-Child now desires to extend the lease term for an additional eight (8) years to May 28, 2020, and in exchange for Council's approval of the extension, Lodi Adopt-A-Child, at its sole cost and expense, will re-pave the parking lot located on the property.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve a Lease Extension to Lodi Adopt-A-Child for 100 East Pine Street, Lodi, California, for an additional eight (8) years; and

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to execute the Amendment to the Lease Agreement on behalf of the City of Lodi.

Dated: August 5, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 5, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving City of Lodi's Sewer System Management Plan (SSMP)

MEETING DATE: August 5, 2009

PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution approving the City of Lodi's Sewer System Management Plan.

BACKGROUND INFORMATION: The State Water Resources Control Board adopted the Statewide General Waste Discharge Requirement (GWDR) per Order No. 2006-0003 on May 2, 2006. The Order requires that all public collection systems composed of more than one mile of pipeline be regulated. The purpose of the Order is to protect the State's water from wastewater discharges associated with periodic collection system failures. The Order requires that each operator of a publicly-owned collection system develop and implement a system-specific Sewer System Management Plan (SSMP). The purpose of the plan is to assure proper funding and management of sanitary sewer systems statewide. Compliance with the Order is also a provision of the City's Proposed Discharge Permit for the White Slough Water Pollution Control Facility, adopted in September 2007. Resolution No. 2007-217 was adopted by the City Council on November 7, 2007, approving the work plan and schedule for the City's SSMP.

The 11 required elements of the SSMP and the status of each are presented below:

1. **Collection System Management Goals:** The goals of the plan are identified and completed.
2. **Organization of Personnel:** The organization of staff is completed.
3. **Legal Authority for Permitting Flows to the System:** The legal authority for the City is established in the Lodi Municipal Code; however, some modifications to the code may be required to implement the City's plan.
4. **Operations and Maintenance Activities:** The operation and maintenance program has been implemented, although regular improvements are anticipated as part of the plan.
5. **Design and Performance Provisions:** The City's design and construction standards have been completed and will be reviewed and updated on an ongoing basis.
6. **Overflow Emergency Response Plan:** The City's Sanitary Sewer Overflow Response Plan has been completed and will be regularly reviewed as part of the plan.
7. **Fats, Oils and Grease Program:** The City's Fats, Oils, and Grease (FOG) program is in place and substantially complete. It is anticipated that modifications to the program will be made over time to comply with the GWDR.
8. **System Capacity Assurance:** The City staff has completed a System Capacity and Assurance Plan. This plan identified current and future improvement needs within the collection system.
9. **System Monitoring and Measurement Plan:** The monitoring, measuring, and program modifications are completed but will require review and updating on an ongoing basis to assure the City continues to comply with the GWDR.

APPROVED: _____
Blair King, City Manager

10. **Internal SSMP Audits:** The SSMP audits are based on assessments of the implementation and progress of the plan and, therefore, will be prepared after several months of operation of the plan.
11. **SSMP Public Communications Program:** This component has been identified as an area requiring improvement.

The purpose of the GWDR is to assure that the City is adequately educating and informing the public about the wastewater collection system status as well as proper operational and maintenance activities by both the City and the citizens. Adoption of the SSMP is the final step in complying with the Order. Proper funding and management of the City's wastewater collection system will be an ongoing City requirement to fully comply with the GWDR. Staff will be diligently working over the next several months to determine the cost of compliance and the budget impact to the Wastewater Enterprise.

A copy of the Sewer System Management Plan Report is on file at the Public Works Department.

FISCAL IMPACT: There are fiscal impacts anticipated to the City of Lodi in order to fully comply with the GWDR. The SSMP, as implemented over time, will continually identify operational and capital needs to minimize sanitary sewer overflows. It is anticipated that these needs will be addressed through future budget processes.

FUNDING AVAILABLE: Not applicable.

F. Wally Sandelin
Public Works Director

Prepared by Kevin Gaither, Water Services Technician

FWS/CS/KG/dsg

cc: Charles E. Swimley, Water Services Manager

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL
ADOPTING THE CITY OF LODI SEWER SYSTEM
MANAGEMENT PLAN

=====

WHEREAS, the State Water Resources Control Board adopted the Statewide General Waste Discharge Requirement (Order No. 2006-0003) on May 2, 2006. The Order requires that all public collection systems comprised of more than one mile of pipeline be regulated; and

WHEREAS, the Order requires that each operator of a publicly-owned collection system develop and implement a system-specific Sewer System Management Plan. The purpose of the plan is to assure proper funding and management of sanitary sewer systems statewide. Compliance with the Order is also a provision of the City's Proposed Discharge Permit for the White Slough Water Pollution Control Facility, adopted in September of 2007. Resolution No. 2007-217 was adopted by the City Council on November 7, 2007, approving the work plan and schedule for the City's Sewer System Management Plan; and

WHEREAS, adoption of the Sewer System Management Plan is the final step in complying with the Order.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby adopt the City of Lodi Sewer System Management Plan.

Dated: August 5, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 5, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2009-_____



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution to Grant Another Designated Period for Two Years Additional Service Credit to the Street Maintenance Worker III classification.

MEETING DATE: August 5, 2009

SUBMITTED BY: Human Resources Manager

RECOMMENDED ACTION: Adopt resolution to grant another designated period for Two Years Additional Service Credit to the current Street Maintenance Worker III classification.

BACKGROUND INFORMATION: The anticipated need to further reduce City spending in FY 2009/10 has necessitated the City explore additional options to reduce staffing. California Government Code Section 20903, through CalPERS, allows the City (as part of a budget-reduction process) to offer a retirement incentive of two years service credit to employees. This program has been used as a cost cutting tool. Although eligible, management originally chose not to offer the retirement incentive to Street Maintenance Worker III's. Subsequently, layoffs were proposed in this division.

This Resolution limits the Two Year Additional Service Credit incentive to the current Street Maintenance Worker III classification, and designates the period for eligible employees to select the Two Year Additional Service Credit option beginning August 6, 2009 and going through November 4, 2009.

This resolution grants final approval and completes the process.

FISCAL IMPACT: This program will save funds. Although there is a cost amortized over 20 years, within the first year total annual savings including benefits for two positions exceed total lifelong cost by \$90,000. If the positions remain vacant for a second year the additional savings in the amount of \$155,000 would be realized.

FUNDING AVAILABLE: Not applicable.

Respectfully submitted,

Jordan Ayers, Deputy City Manager

APPROVED: _____
Blair King, City Manager

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Employer Services Division
Contract Maintenance Unit
PO Box 942709
Sacramento, CA 94229-2709

**CERTIFICATION OF COMPLIANCE WITH
GOVERNMENT CODE SECTION 20903**

In accordance with Government Code Section 20903 and the contract between the Public Employees' Retirement System, the City Council of the City of Lodi hereby certifies that:

1. Because of an impending curtailment of, or change in the manner of performing service, the best interests of the agency will be served by granting such additional service credit.
2. The added cost to the retirement fund for all eligible employees who retire during the designated window period will be included in the contracting agency's employer contribution rate for the fiscal year that begins two years after the end of the designated period.
3. It has elected to become subject to Section 20903 because of impending mandatory transfers, demotions, and layoffs that constitute at least 1 percent of the job classification, department or organizational unit, as designated by the governing body, resulting from the curtailment of, or change in the manner of performing, its services.
4. Its intention at the time Section 20903 becomes operative is to keep all vacancies created by retirements under this section or at least one vacancy in any position in any department or other organizational unit permanently unfilled thereby resulting in an overall reduction in the work force of such department or organizational unit.

THEREFORE, the City Council of the City of Lodi hereby elects to provide the benefits of Government Code Section 20903 to all eligible members who retire within the designated period, August 6, 2009 through November 4, 2009.

CITY COUNCIL
OF THE
CITY OF LODI

BY _____
Mayor

Attest:

City Clerk

Date

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Employer Services Division
Contract Maintenance Unit
PO Box 942709
Sacramento, CA 94229-2709

CERTIFICATION OF GOVERNING BODY'S ACTION

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the City Council of the City of Lodi on August 5, 2009.

Clerk/Secretary

Title

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL
GRANTING ANOTHER PERIOD FOR
TWO YEARS ADDITIONAL SERVICE CREDIT

=====

WHEREAS, the City Council of the City of Lodi is a contracting Public Agency of the Public Employees' Retirement System; and

WHEREAS, the City of Lodi desires to provide another designated period for Two Years Additional Service Credit, Section 20903, based on the contract amendment included in said contract which provided for Section 20903, Two Years Additional Service Credit, for eligible members;

NOW, THEREFORE, BE IT RESOLVED that said City Council does seek to add another designated period for Two Years Additional Service Credit, and does hereby authorize this Resolution, indicating a desire to add a designated period from August 6, 2009 through November 4, 2009 for eligible members in the following classifications:

Classification	Department
Street Maintenance Worker III	Public Works

Date: August 5, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the Lodi City Council in a regular meeting held August 5, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Response to 2008/09 San Joaquin County Grand Jury Report Regarding Information Technology Security

MEETING DATE: August 5, 2009

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Approve response to the 2008/09 San Joaquin County Grand Jury Report regarding information technology security.

BACKGROUND INFORMATION: The 2008/09 San Joaquin County Grand Jury expressed interest in determining if the local municipalities and county offices of San Joaquin County have planned or installed sufficient safeguards to protect their information systems against virus, accidental/deliberate disclosures, and/or equipment failure. Their report was issued on June 2, 2009 and a copy is attached. The City has 90 days from the issue date of the report to respond to the Grand Jury. Attached is the City's proposed response.

The Grand Jury gave the City high marks for our security policy, disaster and recovery plan, and for policies and procedures restricting unauthorized connections. The Grand Jury faulted the City for the location of the data center and backup generator, for allowing access to web e-mail accounts and for a perceived lack of internal control. Each of these points is addressed in the attached response.

The Grand Jury made three recommendations; one regarding relocation of the data center; one regarding access to external e-mail accounts; and one regarding information technology staff operations. The attached response addresses each of these recommendations.

FISCAL IMPACT: None at this time.

Jordan Ayers
Deputy City Manager

JA/ja

Attachments: Grand Jury Case No. 03-08
Draft response to Grand Jury findings and recommendations

APPROVED: _____
Blair King, City Manager

Larry D. Hansen
MAYOR
Phil Katzakian
MAYOR PRO-TEMPORE
Susan Hitchcock
COUNCILMEMBER
Bob Johnson
COUNCILMEMBER
JoAnne L. Mounce
COUNCILMEMBER



City of Lodi

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P.O. BOX 3006
LODI, CALIFORNIA 95241-1910
(209) 333-6700 / FAX (209) 333-6807
www.lodi.gov

Blair King
CITY MANAGER

Randi Johl
CITY CLERK

D. Stephen Schwabauer
CITY ATTORNEY

August 5, 2009

Honorable William J. Murray, Jr.
Presiding Judge of the San Joaquin County Superior Court
222 E. Weber Avenue, Room 303
Stockton, CA 95202

Re: San Joaquin County Grand Jury Final Report (Case No. 03-08)
Information Technology Services

Dear Judge Murray:

The City of Lodi has reviewed the 2008/2009 San Joaquin County Grand Jury Case No. 03-08 regarding Information Technology Security for the Cities and San Joaquin County, issued on June 2, 2009. The Council has seriously considered the findings and recommendations of the Grand Jury applicable to the City of Lodi, discussed the same with its professional staff and pursuant to Penal Code section 933.05, submits its comments as set forth below.

As required by Penal Code section 933(c), the Council's comments were approved at the Council's regularly scheduled meeting of August 5, 2009.

City of Lodi's Comments to Grand Jury Final Report (Case No. 03-08):

Finding 1

Well documented security policy with plans for continuing staff refresher classes.

City's response: Agree with finding.

Finding 2

Well documented disaster and recovery plan.

City's response: Agree with finding.

Finding 3

Policy and devices do restrict unauthorized connections to the city network.

City's response: Agree with finding.

Finding 4

The current location of city data center and backup generator are below ground level.

City's response: Agree with finding.

Finding 5

Web filtering is in place, but access to private e-mail accounts has been allowed.

City's response: Agree with finding.

Finding 6

Independent IT support of Finance Department should be answerable to central IT policies and lacks internal controls.

City's response: Disagree with finding. The Finance Division is a part of the Internal Services Department, along with the Information Services Division. Both divisions report to the Deputy City Manager/Internal Services Department Director who exercises oversight and control over both divisions.

Finding 7

Web e-mail accounts and independent IT support for Finance violates sound security.

City's response: Disagree with finding. Access to web e-mail accounts, in itself, is not a security issue. A security issue may arise, depending upon the activities undertaken, while using the web e-mail account. The City's web filtering software significantly minimizes any risks. Further, the City's Network Access Policy restricts web access to business-related purposes and all employees are aware of this policy. As noted in the response to Finding 6, there is no independent IT support for the Finance Division.

Recommendations:

- a) Develop plans and preparations for the relocation of the data center to a more secure location.**

City's response: The recommendation will not be implemented; but it will be given further analysis. The report infers that because the City's data center is below ground level it is not secure; this is incorrect. While the data center is located below ground level, it is in a secure location with a nominal risk of damage from environmental factors. However, the City will give this matter further analysis since it has applied for American Recovery and Reinvestment Act funding (Stimulus funding) to rehabilitate other City-owned space for use as a new data center.

- b) Extend IT security policy to restrict access to external e-mail accounts from the city network.**

City's response: The recommendation will not be implemented. Access alone to external e-mail systems is not a security issue. Although a security issue may arise, depending upon the activities undertaken while using the web e-mail account, the City's web filtering software significantly minimizes any risks. Additionally, the City's network access policy restricts web access to business related purposes and all employees are aware of this policy. Finally, there are certain City activities that are best handled under e-mail accounts that are not readily identifiable to the City, for example, the Police Department in undercover investigations. A blanket prohibition of external e-mail systems is not in the City's best interest.

- c) Ensure all IT support staff functions under unified policies and management.**

City's response: The recommendation was already in place. Central IT staff is all in the Internal Services Department and are directly accountable to the Deputy City Manager/Internal Services Director. All IT staff follow the same set of policies and procedures.

Respectfully submitted,

Larry Hansen
Mayor

cc: City Council
Blair King, City Manager
Jordan Ayers, Deputy City Manager/Internal Services Director
D. Stephen Schwabauer, City Attorney
Steve Mann, Information Systems Division Manager

San Joaquin County Grand Jury



INFORMATION TECHNOLOGY SECURITY Cities and San Joaquin County 2008/2009 San Joaquin County Grand Jury Case No. 03-08

SUMMARY

Members of the 2008/2009 San Joaquin County Grand Jury expressed interest in determining if the local municipalities and county offices of San Joaquin County have planned or installed sufficient safeguards to protect the information systems against virus, accidental/deliberate disclosures, and/or equipment failure.

REASON FOR INVESTIGATION

This report was based on concerns by the Grand Jury about the current status of the information systems used by city and county governments in San Joaquin County. This review is a point in time snapshot of what was seen by the Grand Jury at the time the information was made available.

It is the intent of the Grand Jury that this investigation would demonstrate that San Joaquin County and its seven incorporated cities were exercising due diligence in protecting information resources and making appropriate plans for disaster recovery and business continuity.

BACKGROUND

As defined in the United States Code, Information Security means protecting information and information systems from unauthorized access, use, disclosure, disruption, modification, or destruction.¹ Today, even the smallest governmental entity, including small and large cities and the numerous county departments, accumulates a large quantity of sensitive information about its business and citizens. Much of this information is collected, stored in and/or transmitted across networks to other computers electronically. Each of these entities has dedicated staff that operates and maintains these systems. Computer security is an ever increasing component of its responsibilities.

¹ United States Code, Title 44, Chapter 35, Subchapter III, Section 3542

METHOD OF INVESTIGATION

This investigation was a “layman’s” inquiry into the current state of information technology (IT) security within San Joaquin County’s governmental bodies. Therefore it is important that this investigation should not be construed as a formal security audit.

Materials Reviewed

- City and County IT Security Policies
- City and County network diagrams
- City and County Organization Charts
- City and County websites online documentation
- Responses to questionnaires submitted to San Joaquin County departments

Interviews Conducted

Representatives of San Joaquin County and each of its seven incorporated cities were interviewed.

EXPECTATIONS

Grand Jury expectations were that each of the IT organizations investigated would have included the following as components of a comprehensive security plan.

- **Security policy:** Each organization should have a top-level statement endorsed by the senior management team on which all security processes and procedures are subsequently based. This policy should be published and understood by all users with access to information systems, and should be reviewed and updated as necessary.
- **Physical and environmental security:** Precautions should be taken to ensure the physical security for all IT assets including data centers, local computers and laptops.
- **Communications and operations management:** Adequate tools and services be provided to ensure that information in these systems is properly monitored, managed and protected. (i.e. anti-virus software, spam and internet filters, security patching, and supported operating systems on all servers and workstations).
- **Access control:** Each organization should have systems in place to closely monitor and control individuals authorized to read and to amend the organization’s information.
- **Disaster planning:** Each organization should have a documented plan for managing any incident and a documented process for restoring critical systems.
- **Business continuity:** Each organization should have a plan to minimize the impact of major disasters on the business processes until essential services are restored.

- **Validation and testing:** Ensure that established controls and policies continue to work and deliver the required level of protection to the organization's assets.

FINDINGS

The extent to which each IT organization was able to meet the Grand Jury's expectations varied significantly. The largest organizations seemed to be the best prepared. However, the Grand Jury found that some of the smaller cities included sophisticated security measures and clear goals for measures yet to be implemented.

The Grand Jury found that all organizations investigated provided at least the bare minimum of security for IT assets:

- Routine backup of all servers
- Installed and managed Anti-Virus software
- Physical security for data center
- Access control using account login & passwords

San Joaquin County

San Joaquin County has a highly fractured Information Technology (IT) infrastructure with 16 separate organizations serving various county departments, in addition to the Information Systems Division (ISD). A number of the departments made compelling arguments for maintaining departmental development and support services.

The Grand Jury understands some departments are bound by state and federal mandates and regulations to maintain isolated IT systems. However, significant savings would be realized by consolidating network infrastructure and common software.

1. *Information Systems Division* – Meets expectations for IT Security
 - a. Written Security Policy was clear and comprehensive and all employees were made aware of its content
 - b. The division has developed an online security training program required to be completed by all employees
 - c. Founded intra-governmental IT Security group inviting all county departments and cities to discuss common security issues
2. *Human Services Agency, Behavioral Health Services, Public Health Services, and San Joaquin County General Hospital* – Meets expectations for IT Security
 - a. Each of these health related departments are subject to federal and state oversight and numerous security related regulations; as a result, each exhibited a very sophisticated level of IT security
3. *Assessor-Recorder-County Clerk Division* – Meets expectations for IT Security
 - a. Documented and thorough "Emergency Contingency and Disaster Recovery Plans for Information Systems"

4. *Agricultural Commissioner's Office* – Does not meet expectations for IT Security
 - a. Out-dated and unsupported Sever Operating System (Windows NT 4.0) still in service, though not in a critical role
 - b. Disaster preparedness and recovery plan is currently under review
 - c. Personnel IT Security training has not yet begun
5. *Department of Child Support Services* – Meets expectations for IT Security
 - a. Provides a good model for the distribution of IT services allowing ISD to maintain and configure the network infrastructure while utilizing departmental IT staff for local support and unique development requirements
6. *Community Development Department* – Meets expectations for IT Security
 - a. The departments' implementation of 'thin client terminals' provides a high level of IT security
 - b. Server recovery from backup is tested annually
 - c. Reciprocal catastrophic disaster recovery plan with neighboring county
7. *District Attorney's Office* – Does not meet expectations for IT Security
 - a. Evidence of a documented disaster preparedness and recovery plan was not provided
8. *Employment & Economic Development Department* – Meets expectations for IT Security
 - a. EEDD has created a detailed Disaster Recovery Plan and ensured that IT staff had it on hand at all times
 - b. Encryption software for laptops is currently being deployed
9. *Environmental Health Department* – Meets expectations for IT Security
 - a. EHD is transitioning to server virtualization that will significantly enhance disaster recovery efforts
 - b. Ambitious plans for high availability, redundant data systems are in development but budget constraints make near term deployment unlikely
10. *Public Defenders Office* – Does not meet expectations for IT Security
 - a. Primary and backup servers are out-dated. The server operating system (Windows NT 4.0) is nearly 4 years past the manufacturer's end-of-life date.
 - b. 90% of department employees have so far failed to complete the county's IT security training
 - c. Critical or confidential "case information" is allowed to be stored on local workstations
 - d. Portable and mobile devices, presumably also with confidential case information, are unencrypted, though password protected

11. *Public Works Department* – Meets expectations for IT Security
 - a. Installing encryption software on all new laptops
 - b. Disaster recovery plan is dependent upon the ability to fall back to paper hard copies for daily operations. This may be appropriate for this department
12. *Sheriff-Coroners Office* – Does not meet expectations for IT Security
 - a. Very clear and well defined standards for a user's access to confidential data and the determination of the sensitivity of that data exists.
 - b. At least one server is running dated operating system (Windows NT 4.0)
 - c. The department's IT systems have been designed for high availability and redundant components
 - d. Disaster recovery plan was thorough and comprehensive
13. *Treasurer and Tax Collector* – Meets expectations for IT Security
 - a. Treasury and Tax records are unique in that they are 'public record'

City of Stockton – Does not meet expectations for IT Security

1. Chronic understaffing and the recent layoff of the Director of Information Technology
2. Lacks a documented disaster recovery or business continuity plan
3. Written Security Policy was clear and comprehensive and all employees were made aware of its content

City of Lodi – Does not meet expectations for IT Security

1. Well documented security policy with plans for continuing staff refresher classes
2. Well documented disaster and recovery plan
3. Policy and devices do restrict unauthorized connections to the city network
4. The current location of city data center and backup generator are below ground level
5. Web filtering is in place, but access to private email accounts has been allowed
6. Independent IT support of Finance Department should be answerable to central IT policies and lacks internal controls
7. Web email accounts and independent IT support for Finance violates sound security policy

City of Lathrop – Meets or is addressing expectations for IT security

1. IT Manager has only been on the job for a short time, yet he has a clear vision of security goals and is working to meet them
2. Written Security Policy was clear and all employees were made aware of its content
3. Recently upgraded Email filtering has dramatically reduced spam
4. Hardware redundancy on critical systems with plans to expand as budget allows
5. Plans for disaster recovery and business continuity are currently in development

City of Tracy – Does not meet expectations for IT Security

1. Enforces a strong password policy that includes routine changing
2. Lacks a written security policy
3. Employees are allowed unrestricted access to web email accounts and the internet

City of Manteca – Does not meet expectations for IT Security

1. Limited security policies in place address only email and software use
2. The few city owned laptops do not have hard drive encryption
3. Lacks a documented disaster recovery plan
4. Emergency backup power not available for the entire data center

City of Ripon – Does not meet expectations for IT Security

1. Lacks a written IT Security Policy and provides no means for insuring that employees are aware of and adhere to such policies
2. Lacks a documented disaster recovery plan
3. No systematic method exists to insure that critical software patches are applied as they become available
4. The secure storage of backup tapes was inadequate

City of Escalon – Meets or is addressing expectations for IT security

1. Escalon impressed the Grand Jury with the level of thought and steps already implemented toward its IT security
2. Written Security Policy was clear and comprehensive and all employees were made aware of its content
3. Disaster preparedness seemed appropriate for an organization of this size and included equipment redundancy and distributed locations

RECOMMENDATIONS

The 2008/2009 San Joaquin County Grand Jury recognizes the budget limitation due to current economic conditions. The Grand Jury therefore has limited recommendations to those that can be implemented with existing resources, except where minimal investment is required or the risks were deemed significant.

When economic conditions permit, the Grand Jury recommends all IT organizations contract for an independent security audit.

1) San Joaquin County

- a) *Agricultural Commissioner's Office*
 - i) Upgrade outdated server operating systems
 - ii) Ensure that IT Security training for all personnel begins immediately and full compliance is achieved in a timely manner
- b) *District Attorney's Office*
 - i) Prepare a comprehensive and documented disaster recovery and business continuity plans
- c) *Public Defenders Office*
 - i) Upgrade outdated server operating systems
 - ii) Ensure that IT Security training for all personnel begins immediately and full compliance is achieved in a timely manner
 - iii) Establish and enforce policy to prohibit local file storage of confidential information

- iv) Where portable devices such as laptops are required, insure that hard drives are encrypted
- d) *Sheriff-Coroner's Office*
 - i) Upgrade outdated server operating systems
- 2) **City of Stockton**
 - a) Chronic understaffing and lack of leadership should be promptly addressed
 - b) Prepare a comprehensive and documented disaster recovery and business continuity plans
- 3) **City of Lodi**
 - a) Develop plans and preparations for the relocation of the data center to a more secure location
 - b) Extend IT security policy to restrict access to external email accounts from the city network
 - c) Ensure all IT support staff function under unified policies and management
- 4) **City of Tracy**
 - a) Prepare a clear and comprehensive IT security policy approved and endorsed by city management
 - b) Ensure and document that every employee is informed of the IT security policy and the consequences of violations
 - c) Implement tighter internet access controls on the network
- 5) **City of Manteca**
 - a) Expand current IT security policies to provide greater guidance and insure that all employees are informed of the policy updates
 - b) Where portable devices such as laptops are required, insure that hard drives are encrypted
 - c) Prepare a comprehensive and documented disaster recovery and business continuity plan
 - d) Ensure that emergency backup power is provided to the entire data center
- 6) **City of Ripon**
 - a) Prepare a clear and comprehensive IT security policy approved and endorsed by city management
 - b) Ensure and document that every employee is informed of the contents of this policy and the consequences of its violation
 - c) Prepare a comprehensive and documented disaster recovery and business continuity plan
 - d) Adopt manual or automated process that insures every server and workstation is kept current with all security patches and anti-virus updates
 - e) Ensure that the off-site storage of backup tapes is secure

RESPONSE REQUIRED

Pursuant to Section 933.05 of the California Penal Code:

The San Joaquin County Board of Supervisors and the various City Councils, where applicable, shall report to the Presiding Judge of the San Joaquin County Superior Court, in writing and within 90 days of publication of this report, with a response as follows:

The San Joaquin County District Attorney and the San Joaquin County Sheriff, where applicable, shall report to the Presiding Judge of the San Joaquin County Superior Court, in writing and within 60 days of publication of this report, with a response as follows:

As to each finding in the report a response indicating one of the following:

- a. The respondent agrees with the finding.
- b. The respondent disagrees with the finding, with an explanation of the reasons therefore.

As to each recommendation, a response indicating one of the following:

- a. The recommendation has been implemented, with a summary of the action taken.
- b. The recommendation has not yet been implemented, but will be with a time frame for implementation.
- c. The recommendation requires further analysis, with an explanation of the scope of analysis and a time frame not to exceed six (6) months.
- d. The recommendation will not be implemented, with an explanation therefore.



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Establishing Guidelines for a First Time Home Buyer Program and Authorizing an Application to the State Department of Housing and Community Development for \$800,000 of HOME Funding.

MEETING DATE: August 5, 2009

PREPARED BY: Community Development Department

RECOMMENDED ACTION: Adopt Resolution establishing guidelines for a First Time Home Buyer Program (FTHB) and authorizing an application to the State Department of Housing and Community Development (HCD) for \$800,000 of HOME funding for that program.

BACKGROUND INFORMATION: The City of Lodi has historically received Community Development Block Grant (CDBG) and HOME Program funding annually from the U.S. Department of Housing and Urban Development (HUD) as a participating jurisdiction in the San Joaquin Urban County.

Although Lodi recently established itself as an Entitlement Community and receives the annual CDBG allocation directly from HUD, we do not yet qualify to receive our HOME Program allocation directly from HUD. Lodi's allocation of HOME funds through the Urban County has averaged \$249,025 the past 10 years and would need to reach \$500,000 in order to qualify for a direct allocation from HUD. Lodi's annual allocation is now directed away from the Urban County, to the State HCD, where it is pooled and made available through a competitive application process.

The State HCD makes those HOME funds available for housing rehabilitation, new construction, and acquisition and rehabilitation, for both single-family and multifamily projects, and predevelopment loans by Community Housing Development Organizations (CHDOs) such as Eden Housing, Inc. All activities must benefit lower-income renters or owners.

Historically, Lodi has allocated a significant portion if not all of the annual HOME allocation to a Housing Assistance Loan Program. Our existing Down-Payment Assistance, or GAP Loan Program, provides deferred downpayment assistance loans to first-time homebuyers who are at or below 80 percent of the median income, for the purchase of homes within Lodi. The loans are intended to bridge the "gap" between the cost of a home and what a low-income household can afford.

We intend to seek HOME Program funding for that activity through HCD during the application period ending August 17, 2009. The maximum allocation allowed for these multi-activity HOME programs is \$800,000. Any jurisdiction awarded HOME funds through HCD is not allowed to apply for additional funding until it has used 50 percent of its current allocation, so it is likely that the requested \$800,000 would be a two-year allocation.

APPROVED: _____
Blair King, City Manager

The attached First Time Home Buyer Program Guidelines (Exhibit A) meet the basic requirements and regulations for program operation established by HCD.

Program Guidelines – Key Points

Income Eligibility:	Household incomes at or below 80 percent of Area Median Income (AMI). See Exhibit B – Current Income Qualification Limits
Loan Type:	Deferred (silent second) loan up to \$60,000.
Interest Rate:	2 percent.
Term:	Loan shall be “due and payable” 30 years from close of escrow, upon transfer of the property, or when the home is no longer owner-occupied, whichever comes first.
Max. Purchase Price:	\$362,790
Buyer Contribution:	Minimum 2 percent of the purchase price.
Affordability Period:	Five years – Loans up to \$15,000 Ten years – Loan amount \$15,000 to \$39,999 Fifteen years – Loan amount \$40,000 to \$60,000.
Qualification Req.:	Must not have owned a home in the past three years. Must attend and obtain a certificate from an approved first-time homebuyer education/counseling session.

FISCAL IMPACT: Program administration and project delivery costs incurred by the City are eligible expenses reimbursed through the grant program.

FUNDING AVAILABLE: HOME Program Funding through State Housing and Community Development

Konradt Bartlam
Community Development Director

KB/jw

Attachments

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING PROGRAM
GUIDELINES FOR A FIRST TIME HOME BUYER PROGRAM AND
AUTHORIZING AN APPLICATION TO THE STATE OF CALIFORNIA
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR
\$800,000 OF HOME FUNDING FOR THAT PROGRAM.

=====

WHEREAS, the City of Lodi has historically funded a First Time Home Buyer Program with HOME funds received annually from the U.S. Department of Housing and Urban Development (HUD) as a participating jurisdiction in the San Joaquin Urban County; and

WHEREAS, now as an Entitlement Community the HOME fund allocation from HUD is now forwarded to the State of California Housing and Community Development Department (HCD); and

WHEREAS, HCD makes those HOME funds available through a competitive application process.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the Program Guidelines, as attached hereto as Exhibit A, which establish a First Time Home Buyer Program pursuant to the requirements of HCD and authorizes an application to HCD for HOME funds for that program.

Dated: August 5, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the Lodi City Council in a regular meeting held August 5, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2009-_____

Exhibit A

First Time Home Buyer Down-Payment Assistance Program Guidelines

City of Lodi

DRAFT

FIRST-TIME HOMEBUYER DOWNPAYMENT ASSISTANCE PROGRAM GUIDELINES

Revised
July 29, 2009



CITY OF LODI
FIRST-TIME HOMEBUYER
DOWNPAYMENT ASSISTANCE PROGRAM

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INTRODUCTION

It is the intent of the City of Lodi to offer first-time homebuyer downpayment assistance to low- and very low-income households for the purchase of qualified homes in the City of Lodi through the HOME Program.

Funding for this program is provided by the California Department of Housing and Community Development (HCD) and is made available by the U. S. Department of Housing and Urban Development (HUD). It is to be used for purposes set forth in regulations Title 24, Code of Federal Regulations, Part 92, and Title 25, California Code of Regulations, commencing with Section 8200.

The HOME grant will be used in the City to provide loans to low- and very low-income households to enable them to qualify for permanent financing of single-family homes. The downpayment assistance will be up to \$60,000 depending on need and based on family income.

SECTION A. COMMON PROGRAM GUIDELINES

PROGRAM DESCRIPTION

- A1. Income Limits by Household Size:** Downpayment assistance loans are available to households with incomes at or below 80 percent of the median income for the City of Lodi. HUD calculates the income levels on an annual basis and adjusts them by household size. The 2009 income limits are as follows:

Household Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Income Limit	\$35,650	\$40,700	\$45,800	\$50,900	\$54,950	\$59,050	\$63,100	\$67,200

Annual income shall be determined by projecting the income of the family over a twelve-month period, in accordance with the 24 CFR Part 5 (Section 8) method for income determination as described in “Technical Guide for Determining Income and Allowances for the HOME Program, January 2005” or other guide effective as of the income qualification date. Income will be calculated using the most recent pay stubs, income tax returns, W-2 forms, and Form 1099’s of all adults in the family, as described in 24 CFR, Part 92.203 (b) (1-3) and (d)(1). Expected raises, overtime pay, and bonuses are also included in the projected annual income. All information regarding salary and supplemental income will be confirmed with the current employer(s).

Household: A household is defined as one or more persons who live together as a family in a single housing structure.

- A2. Lead Based Paint Hazards:** All homes built prior to 1978 must be inspected by a State Licensed Lead-Based Paint Inspector/Assessor in accordance with the EPA work



standards at 40 CFR 745.227. The Seller of the home must agree in writing that all defective paint will be abated prior to the close of escrow and that the cost of the abatement shall be paid by the Seller.

Notification:

Prior to making an offer to purchase a pre-1978 home, the Buyer will be given a copy of and asked to read the EPA pamphlet “Protect Your family From Lead in Your Home” (EPA 747-K-94-001, April 1999) (Exhibit 1). Evidence the pamphlet was given to the Homebuyer will be included in the purchaser’s file.

Inspections:

The Inspector shall conduct a “visual assesment” of all painted surfaces in order to identify deteriorated paint. All deteriorated paint will be stabilized in accordance with CFR 35.1330 (a) and (b); and a Clearance shall be made in accordance with CFR 35.1340 This assessment shall include all outbuildings and structures on the property.

Abatement:

If abatement is required, the contractor performing the abatement shall be given a copy of the Abatement Guidelines (24CFR35.1325 et seq.), a copy of the HUD publication “Lead Paint Safety: A Field Guide for Painting, Home Maintenance, and Renovation Work,” and a list of the “Prohibited Methods of Paint Removal” (24 CFR 35.140). (See Exhibit 1 for sample documents.)

Homebuyer Program Lead Compliance Document Checklist:

The following documents should be in each Homebuyer unit file to document compliance with the lead requirements:

Document Name	Purpose	✓
Lead Safe Housing Rule Screening Sheet	Documents exemptions	
Physical inspection form (HQS or equivalent)	Documents visual assessment results	
Seller Certification	Seller certifies that paint was stabilized by qualified workers and that safe work practices were followed during paint stabilization	
Clearance Report and Clearance Review Worksheet	Documents that unit passed clearance	
Disclosure Form	Documents that buyer received disclosure and pamphlet.	
Lead Hazard Reduction Notice	Documents that buyer received required lead hazard reduction notification.	

This was taken from the HUD Website at:

<http://www.hud.gov/offices/cpd/affordablehousing/training/leadsafe/usefulforms/index.cfm#crosscutting>

A3. Conflict Of Interest Provision:

No persons having any decision-making powers over the HOME First-Time Homebuyer program shall be allowed to participate in the City's HOME program. This restriction includes all permanent staff, contractors, and temporary staff who work, in any capacity, with the City's HOME program. When the Sponsor's program contains Federal funds, the following shall be addressed: in accordance with Title 24, Section 570.611 of the Code of Federal Regulations, no member of the governing body and no official, employee, or agent of the local government, nor any other person who exercises policy or decision-making responsibilities (including members of the loan committee and officers, employees, and agents of the loan committee, the administrative agent, contractors, and similar agencies) in connection with the planning and implementation of the Program shall directly or indirectly be eligible for this Program. Exceptions to this policy can be made only after public disclosure and formal approval by the governing body of the locality.

A4. Description of type of HOME Assistance:

- a. **Loan Type:** the loan will be a deferred payment (silent second) loan, with a maximum amount of \$60,000.
- b. **Interest Rate:** The interest rate will be two percent (2%) simple interest per annum.
- c. **Term:** The loan shall become due and payable 30 years from the close of escrow, upon transfer of the property, or when the home is no longer owner-occupied, whichever comes first.
- d. **Maximum Purchase Price:** The maximum purchase price of the home is limited by HUD and is adjusted on a regular basis. For 2009, the maximum purchase price in San Joaquin County is \$362,790.
- e. **Buyer Contribution:** The buyer will be required to contribute two percent (2%) of the purchase price into the escrow account as their portion of the downpayment.

A5. Program Outreach and Marketing:

All outreach efforts will be done in accordance with state and federal fair lending regulations to assure nondiscriminatory treatment, outreach and access to the Program. No person shall, on the grounds of age, ancestry, color, creed, physical or mental disability or handicap, marital or familial status, medical condition, national origin, race, religion, gender or sexual orientation be excluded, denied benefits or subjected to discrimination under the Program. The Sponsor will ensure that all persons, including those qualified individuals with handicaps have access to the Program.

- a. The Fair Housing Lender logo will be placed on all outreach materials. Fair housing marketing actions will be based upon a characteristic analysis comparison (census data may be used) of the Program's eligible area

compared to the ethnicity of the population served by the Program (includes, separately, all applications given out and those receiving assistance) and an explanation of any underserved segments of the population. This information is used to show that protected classes (age, gender, ethnicity, race, and disability) are not being excluded from the Program. (For HOME, the Sponsor shall develop a Fair Housing Marketing Plan prior to project set up). Flyers or other outreach materials, in English and any other language that is the primary language of a significant portion of the area residents, will be widely distributed in the Program-eligible area and will be provided to any local social service agencies. The Program may sponsor homebuyer classes to help educate homebuyers about the home buying process and future responsibilities. Persons who have participated in local homebuyer seminars will be notified about the Program.

- b. The Program Operator will work closely with local real estate agents and primary lenders to explain the Program requirements for eligible housing units and homebuyers, and to review Program processes. Local real estate agents and primary lenders will also be encouraged to have their customers participate in the Program.
- c. Section 504 of the Rehabilitation Act of 1973 prohibits the exclusion of an otherwise qualified individual, solely by reason of disability, from participation under any program receiving Federal funds. The Program Sponsor should take appropriate steps to ensure effective communication with disabled housing applicants, residents and members of the public.”

A6. Homebuyer Education

Buying a home can be one of the most confusing and complicated transactions anyone can make. Providing the future homebuyer with informative homebuyer education training can bring success to the Program and, most importantly, the homebuyer. All Program participants are required to attend a HUD-certified homebuyer education class. The homebuyer education class may cover such topics as the following: preparing for homeownership, available financing, credit analysis, loan closing, homeownership responsibilities, home maintenance, and loan servicing. The City will issue a certificate of completion to prospective homebuyers who successfully complete the homebuyer education course. A copy of the certificate will be sent to HCD.

A7. Description of Inspection Procedures

- a. To determine compliance with local codes (or Housing Quality Standards if there are no codes), existing homes will be inspected by either (1) a City Building or Housing Inspector, and/or (2) a designated inspector contracted with the City. The house shall meet, as a minimum standard requirement, all applicable local codes and health and safety standards. In addition, a pest inspection of the property shall be made by a licensed inspector. Any work required to correct existing conditions shall be made

prior to the close of escrow. Said repairs and reinspection shall be made at the expense of the Seller.

- b. Other inspections and repairs may be required by the Lender before they will make a loan on the property. Items such as the condition of the foundation, roof, doors, and windows and plumbing will all be of concern to the Lender. These inspections will insure that a first-time homebuyer will not purchase a substandard home or a home needing major repairs.

A8. Maximum Amount of Home Assistance:

The maximum amount of HOME assistance per family shall be \$60,000. The actual amount shall be calculated based on the buyers' debt ratios and the maximum first mortgage loan they can obtain.

A9. Equal Housing Opportunity:

By City resolution, the City of Lodi is committed to providing equal access to HOME funds by all eligible households in the City without consideration for race, creed, color, national origin, sex, disability, or other classification.

During the operation of the HOME Program, the City, the Project Manager, and the Consultants will supervise the review of the loan applications and screening of applicants to insure that all Fair Housing Laws are upheld. The City will enter into a Voluntary Affirmative Marketing Agreement with State HCD and use the Equal Housing Opportunity logo in all advertising. Copies of the Federal and State Fair Housing Laws will be made available to all interested parties. A copy of all advertising and marketing materials will be retained by the City and forwarded as required to the HCD.

A10. Eligible Households and Properties Selection Process:

Eligible properties will be any home, under the maximum sales price, in the incorporated area of Lodi that meets or exceeds local codes as required by HUD and the minimum FHA standards required by CHFA. The City will determine household income eligibility in accordance with HUD's Technical Guide for Determining Income and Allowances for the HOME Program. Eligible buyers will be qualified on a first-come-first-served basis, *generally* according to the following schedule:

- a. Applicant picks up a Program Application from the City, completes the form, and returns it to the City (Exhibit 5);
- b. The City, or their Consultant, determines eligibility according to current income limits, and
- c. Sends a letter to each eligible applicant explaining the step-by-step process for participation. All applicants are encouraged to call the City if they have any questions.

1. If the household income is over the program limit, the applicant will be notified that, although they do not qualify for the program, they may make enough money to buy a house.
 2. If the applicant does not make enough to qualify for a loan to purchase any available housing in the City, the applicant may be referred to alternative financing options.
 3. All persons in residence are considered household members for purposes of income eligibility.
- d. Applicants contact one of the lenders listed in the letter to begin qualifying according to industry standards which includes providing verification of income, expenses, family size, and other information according to the City's procedures entitled "City of Lodi First-Time Homebuyer Lending Guidelines" (Exhibit 6).
 - e. If the applicant's income is within program guidelines and sufficient to purchase available homes with downpayment assistance, the applicant will be directed to find a real estate agent to help locate a home, prepare a contract, and begin the loan process.
 - f. The lender will obtain a credit report for the applicants, and will then calculate the price range that the buyer can afford.
 - g. The applicants then select a home and enter into a sales agreement.
 - h. Upon receipt of an accepted purchase agreement the lender will process the loan and send the loan package the City for approval. At this time the buyers will contribute their 2% downpayment to escrow.
 - i. Upon receipt of the loan package the City will review the package for compliance with state and federal guidelines.
 - j. When escrow is ready to close, the City will send loan instructions, the HUD reimbursement forms, and the Promissory Note and Deed of Trust to the title company. The City will forward to the State Department of Housing and Community Development a completed and signed Project Set-Up Report and the Project Drawdown Request forms. The City will then draw a check for the loan, and the check will be picked up by the escrow company.
 - k. Upon receipt of the Drawdown Request, the State will set-up the request with HUD and will send the City a reimbursement check within approximately 30 days.
 - l. Escrow agent prepares the City documents for execution and recording.
 - m. Escrow closes, documents are recorded, and exhibits are forwarded to the City within 14 days for file.
 - n. Applicants move into their home.
 - o. The City receives a completed loan package for their permanent file.
 - p. The City will set-up a monitoring procedure for annual review of grant recipient conformance with terms of the loan.

- q. The City Finance Department reports the loans on an annual basis to the IRS.

SECTION B. ALL PROGRAMS MAKING LOANS

- B1. Health and Safety:** This program is an acquisition only program. No buyer will take occupancy of a home before all necessary repairs are made to the property. All homes will be subject to a pest inspection and an inspection by the City of Lodi Building or Housing Inspector. These inspections will identify any problems with the home and the Seller will make all repairs necessary prior to the close of escrow.
- B2. Building Standards:** All homes will meet as a minimum requirement, local City Codes, or if there are no local codes, Section 8 Housing Quality Standards. To determine compliance with necessary local codes, existing homes will be inspected by the City of Lodi. The houses shall meet as a minimum requirement, all applicable local codes and health and safety standards. In addition, a licensed inspector shall make a pest inspection of the property. Any work required to correct existing conditions shall be made prior to the close of escrow. Said repairs and re-inspection shall be made at the expense of the Seller. New homes will be built under the requirements of the State of California Uniform Building Code and the Building Code of the City of Lodi. All new homes will meet all local codes, rehabilitation standards, and ordinances. Newly constructed housing must also meet the requirements of the current edition of the Model Energy Code published by the Council of American Building Officials.
- B3. Relocation:** Tenant-occupied homes are not eligible for HOME funding under the City of Lodi First-Time Homebuyer Assistance Program. It is not anticipated that the implementation of the HOME Program will result in the displacement of any persons, households, or families. However, in the event relocation is necessary, activities will be carried out in compliance with federal relocation law, Section 104(d) of the Housing and Community Development Act of 1974, as amended (42 USC Section 5301 et seq) and with 24 CFR Part 42, Section 305 et seq.
- B4. Flood Zone:** No portion of the City of Lodi is in the 100-year flood zone.
- B5. Maximum Property Value at acquisition:** The sales prices of qualifying homes must not exceed the Single-family Mortgage Limits under Section 203(b) of the National Housing Act, which for 2009 in the City of Lodi is \$362,790.
- B6. Acquisition Notice:** Prior to presenting an offer to purchase an existing home, the Buyer and/or the Buyer's agent shall require the Seller to sign two forms:
- (1) An "Acquisition Notice to Seller" (Exhibit 2): This form includes: (a) certification that the purchaser has no power of eminent domain, (b) an estimate of the fair market value of the property and, (c) a statement that if an Acquisition Notice is not given prior to the acceptance of the purchase offer, the Seller may withdraw from the agreement after this information is provided.

(2) “Notice to Sellers of Existing Homes” (Exhibit 3): This form requires that the Seller make all necessary repairs to the property prior to the close of escrow at the Seller’s expense.

Whether the existing home needs repairs or not, we will recommend that the buyer purchases a Home Protection Plan, which insures all interior electrical, plumbing, and appliances for the first twelve months. The cost of these protection plans range from \$250 to \$300 and may be paid through escrow as a part of the closing costs.

B7. Resale/Recapture Provisions: resale/recapture provisions for the Program are stated in the promissory note (Exhibit 4) and include the following:

- a. The City will lend qualified buyers up to \$60,000 which shall be secured by a Promissory Note and a recorded Deed of Trust. The interest rate will be two percent (2%). The note will defer payments and be due and payable in 30 years (or upon transfer or non-occupancy of the property).
- b. The Note will further specify that the loan will become due and payable upon the sale or transfer of the property, if the house is no longer the principal residence of the buyers, or if the house is used as a rental unit. These restrictions shall be in effect for the entire term of the Note or until the loan is repaid to the City .
- c. Program Income will be deposited into the local HOME account and used for HOME eligible activities (Section 52.503, et seq).

B8. Method of Determining the Amount of HOME Assistance Provided to Each Household.

- a. The intent of the City’s First-time Homebuyer Program is to assist low-income households in purchasing their first home. The City intends to assist as many families as possible and, therefore, will provide the minimum assistance to each qualified family.

Total Family Income	= \$ 25,000.00
Minimum Monthly Payment (PITI)*	= \$ 604.17
Maximum Loan @ 6.50%	= \$ 79,105.00
Maximum Loan + HOME Loan (\$20,000)	= \$ 99,105.00
Less Closing Costs (approx.)	= \$ 4,000.00
Maximum Sales Price	= \$ 95,105.00
- If this family were to decide to buy a home for \$85,000, then the assistance would be calculated as follows:	
Total Family Income	= \$ 25,000.00
Monthly Payment (PITI)*	= \$ 604.17
Maximum Loan @ 6.50%	= \$ 79,105.00
Loan + HOME Loan (\$9,895)	= \$ 89,000.00
Less Closing Costs (approx.)	= \$ 4,000.00
Sales Price	= \$ 85,000.00
$\$25,000/12 \times .29 = \604.17 (PITI = principal, interest, taxes, and insurance)	

- b. Working with a mortgage lender, the buyer must be able to qualify for a 30-year fixed rate mortgage according to accepted industry standards. Once the applicants obtain the first mortgage approval, they will request a loan from the City which shall be no more than the minimum required for the balance of the downpayment and closing costs, up to a maximum of \$60,000. The example of the method of calculating the assistance is shown above.

The City of Lodi's intent to limit the amount of assistance shall be stated in all real estate contracts as:

Buyer understands and agrees that the amount of the first loan shall be the maximum that the Buyer is able to qualify for and the amount of the loan from the City of Lodi shall be the minimum amount that is required for the balance of the downpayment and closing costs.

- c. The City has established a **minimum debt ratio** of 29% / 42% and will allow ratios of 32% / 43% for energy efficient new homes. To ensure that the City is not unduly subsidizing debt, debt ratios have been established that allow a buyer to use from 10 to 12 percent of their monthly gross income to make payments on revolving debt and loans (automobile loans, credit cards, etc.). This amount of debt is considered normal. Therefore, the maximum amount of the downpayment assistance contributed by the City shall be determined by requiring a minimum "front-end" ratio of 29 percent. This may cause some applicants to have a "back-end" ratio that is too high and they will not be able to qualify for a loan. In these cases the applicant will have to reduce their other debt in order to qualify for the program.
- d. The loan-to-value ratio for an approved loan, when combined with all

other indebtedness to be secured by the property shall not exceed 100 percent of the sales price plus a maximum of up to 5 percent of the sales price to cover actual closing costs.

B9. Monitoring/ Period of Affordability: The required affordability period varies depending on the amount of the HOME loan (Exhibit 7). During the applicable affordability period, the City will perform an annual verification of the properties that have been assisted with HOME First-time Homebuyer Downpayment Assistance funds to determine the following:

- a. The qualified household is in residence, and that the unit has not been rented or sold. The City uses three methods to ensure residence.
 1. Each homeowner shall be required to sign an annual certification that they are residing in the home.
 2. The Buyers shall be required to mail a copy of their December Utility Bill to the City each year.
 3. Public Works verifies the sewer and water accounts of every FTHB. If the name on a flagged account changes the City, HOME administrators will be notified.
- b. No additional HOME assistance may be provided during the period starting one year following the filing of the Project Completion Report through the end of the affordability period.

B10. Determination of First-Time Homebuyer Status:

“First-time homebuyer” means an individual or individuals, or an individual and his or her spouse, who have not owned a home during the three-year period before the purchase of a home with HOME assistance. First-time homebuyer status may also be conferred to an individual or individuals if the following conditions hold true:

- (1) A displaced homemaker who, while a homemaker, owned a home with his or her spouse or resided in a home owned by the spouse. A displaced homemaker is an adult who has not, within the preceding two years, worked on a full-time basis as a member of the labor force for a consecutive twelve-month period and who has been unemployed or underemployed, experienced difficulty in obtaining or upgrading employment and worked primarily without remuneration to care for his or her home and family;
- (2) A single parent who, while married, owned a home with his or her spouse or resided in a home owned by the spouse. A single parent is an individual who is unmarried or legally separated from a spouse and has one or more minor children for whom the individual has custody or joint custody or is pregnant; and

- (3) an individual or individuals who owns or owned, as a principle residence during the three-year period before the purchase of a home with HOME assistance, a dwelling unit whose structure is:
 - a. Not permanently affixed to a permanent foundation in accordance with local or state regulations; or
 - b. Not in compliance with state, local, or model building codes and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure.

LIST OF EXHIBITS

EXHIBIT 1. – Lead-based Paint Forms

EXHIBIT 2. – Acquisition Notice

EXHIBIT 3. – Notice to Sellers of Existing Homes

EXHIBIT 4. – Promissory Note

EXHIBIT 5. – Program Application

EXHIBIT 6. – Lending Guidelines

EXHIBIT 7. – Annual Monitoring Procedures

EXHIBIT 1. – Sellers Lead-Based Paint Disclosure

CITY OF LODI

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) _____ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

(ii) _____ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller (check (i) or (ii) below):

(i) _____ Seller has provided the purchaser with all available records and reports pertaining to Lead-based paint and/or lead-based paint hazards in the housing (list documents below).

(ii) _____ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (initial)

(c) _____ Purchaser has received copies of all information listed above.

(d) _____ Purchaser has received the pamphlet Protect Your Family from Lead in Your Home.

(e) _____ Purchaser has (check (i) or (ii) below):

(i) _____ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii) _____ waived the opportunity to conduct a risk assessment or inspection for the presence of Lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (initial)

(f) _____ Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

_____ Seller	_____ Date	_____ Seller	_____ Date
_____ Purchaser	_____ Date	_____ Purchaser	_____ Date
_____ Agent	_____ Date	_____ Agent	_____ Date



EXHIBIT 1. – (continued)

CITY OF LODI Homebuyer Assistance Program Lead-Based Paint Contract Contingency Language

This contract is contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards at the Purchaser's expense until 9 p.m. on the tenth calendar-day after ratification. This ending date is: _____. [Insert date 10 days after contract ratification or a date mutually agreed upon]. (Intact lead-based paint that is in good condition is not necessarily a hazard. See the EPA pamphlet "Protect Your Family From Lead in Your Home" for more information.)

This contingency will terminate at the above predetermined deadline unless the Purchaser (or Purchaser's agent) delivers to the Seller (or Seller's agent) a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report.

The Seller may, at the Seller's option, within _____ days after Delivery of the addendum, elect in writing whether to correct the condition(s) prior to settlement. If the Seller will correct the condition, the Seller shall furnish the Purchaser with certification from a risk assessor or inspector demonstrating that the condition has been remedied before the date of the settlement. If the Seller does not elect to make the repairs, or if the Seller makes a counteroffer, the Purchaser shall have _____ days to respond to the counter-offer or remove this contingency and take the property in "as is" condition or this contract shall become void. The Purchaser may remove this contingency at any time without cause.

Seller Name: _____ Date: _____

Purchaser: _____ Date: _____

Property Address: _____



EXHIBIT 1. – (Continued)

LEAD-BASED PAINT

VISUAL ASSESSMENT, NOTICE OF PRESUMPTION, AND HAZARD REDUCTION FORM

Section 1: Background Information			
Property Address:		No LBP found or LBP exempt <input type="checkbox"/>	
Select one:	Visual Assessment <input type="checkbox"/>	Presumption <input type="checkbox"/>	Hazard Reduction <input type="checkbox"/>

Section 2: Visual Assessment. Fill out Sections 1, 2, and 6. If paint stabilization is performed, also fill out Sections 4 and 5 after the work is completed.	
Visual Assessment Date:	Report Date:
Check if no deteriorated paint found <input type="checkbox"/>	
Attachment A: Summary where deteriorated paint was found. For multi-family housing, list at least the housing unit numbers and common areas and building components (including type of room or space, and the material underneath the paint).	

Section 3: Notice of Presumption. Fill out Sections 1, 3, 5, and 6. Provide to occupant w/in 15 days of presumption.	
Date of Presumption Notice:	
Lead-based paint is presumed to be present <input type="checkbox"/> and/or Lead-based paint <i>hazards</i> are presumed to be present <input type="checkbox"/>	
Attachment B: Summary of Presumption: For multi-family housing, list at least the housing unit numbers and common areas, bare soil locations, dust-lead location, and or building components (including type of room or space, and the materials underneath the paint) of lead-based paint and/or hazards presumed to be present.	

Section 4: Notice of Lead-Based Paint Hazard Reduction Activity. Fill out Sections 1, 4, 5, and 6. Provide to occupant w/in 15 days of after work completed.	
Date of Hazard Reduction Notice:	
Initial Hazard Reduction Notice? Yes <input type="checkbox"/> No <input type="checkbox"/>	Start & Completion Dates:
If “No”, dates of previous Hazard Reduction Activity Notices:	
Attachment C: Activity locations and types. For multi-family housing, list at least the housing unit numbers and common areas (for multifamily housing), bare soil locations, dust-lead locations, and/or building components (including type of room or space, and the material underneath the paint), and the types of lead-based paint hazard reduction activities performed at the location listed.	
Attachment D: Location of building components with <u>lead-based paint remaining</u> in the rooms, spaces or areas where activities were conducted.	
Attachment E: Attach clearance report(s), using DHS form 8552 (and 8551 for abatement activities)	

Section 5: Resident Receipt of Notice for Presumption or Lead-Based Paint Hazard Reduction Activity		
Printed Name:	Signature:	Date:

Section 6: Contact Information		Organization:	
Contact Name:		Contact Signature:	
Date:	Address:	Phone:	



EXHIBIT 2. – Disclosure to Seller with Voluntary, Arm's Length Purchase Offer

DECLARATION

This is to inform you that (name of buyers) _____ would like to purchase the property, located at (address) _____, if a satisfactory agreement can be reached. We are prepared to pay \$ _____ for a clear title to the property under conditions described in the attached proposed contract of sale.

Because Federal funds may be used in the purchase, however, we are required to disclose to you the following information:

1. The sale is voluntary. If you do not wish to sell, the buyer, _____, thru the agency, (name of agency/sponsor) _____ will not acquire your property. The buyer does not have the power of eminent domain to acquire your property by condemnation (i.e. eminent domain) and the agency/Sponsor _____ will not use the power of eminent domain to acquire the property.
2. The estimated fair market value of the property is \$ _____ and was estimated by _____, to be finally determined by a professional appraiser prior to close of escrow.

Since the purchase would be a voluntary, arms length, transaction you would not be eligible for relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), or any other law or regulation. Also, as indicated in the contract of sale, this offer is made on the condition that no tenant will be permitted to occupy the property before the sale is completed.

Again, please understand that if you do not wish to sell your property, we will take no further action to acquire it. If you are willing to sell the property under the conditions described in the attached contract of sale, please sign the contract and return it to us at:

_____. If you have any questions about this matter, please contact _____ at _____.

Sincerely,

Title

Buyer

Date

Buyer

Date

(Form continues on next page with Seller's Acknowledgment)



ACKNOWLEDGEMENT

As the Seller I/we understand that the (affiliation and title of inspector) _____ will inspect the property for health and safety deficiencies. I/we also understand that public funds may be involved in this transaction and, as such, if the property was built before 1978, a lead-based paint disclosure must be signed by both the buyer and seller, and that a Visual Assessment will be conducted to determine the presence of deteriorated paint.

As the Seller, I/we understand that under the City of Lodi's program, the property must be currently owner-occupied, vacant for three months at the time of submission of purchase offer, new (never occupied), or renter purchasing the unit. I/we hereby certify that the property is:

☐ Vacant at least 3 months; ☐ Owner-occupied; ☐ New; or ☐ Being Purchased by Occupant

I/we hereby certify that I have read and understand this "Declaration" and ☐ a copy of said Notice was given to me prior to the offer to purchase. If received after presentation of the purchase offer, I/We choose ☐ to withdraw or ☐ not to withdraw, from the Purchase Agreement.

Seller

Date

Seller

Date



EXHIBIT 3. – Notice To Sellers of Existing Homes

This offer to purchase your property located at _____, is subject to the following terms and conditions:

- 1) The purchase price offered in the Purchase agreement is the Buyer's best estimate of the fair market value for this property. The offer is conditioned upon an appraisal made by a licensed appraiser and paid for by the Seller. Should the appraisal be for a value lower than the offer, the offered amount shall be reduced to the amount of the appraisal. If the amount of the appraisal is unacceptable to the Seller, he shall have the right to cancel the contract with no further obligations to the Buyer.
- 2) A pest inspection of your property shall be required and any work required to correct existing conditions shall be made prior to the close of escrow. Said repairs and re-inspection shall be made at the expense of the Seller.
- 3) Smoke detectors shall be installed in all the bedrooms and family rooms.
- 4) Water heater installation shall meet current building codes and seismic requirements
- 5) House shall meet, as a minimum standard requirement, the Section 8 Housing Quality Standards as well as all applicable local codes and health and safety standards.
- 6) Any roof leaks, plumbing leaks, broken windows or broken doors must be repaired or replaced prior to the close of escrow.
- 7) Lead Based Paint Abatement. If your home was built before 1978 you will be required to have our home inspected by a City of Lodi Building or Housing Inspector or an authorized representative under contract with the City . All defective paint must be abated at the expense of the Seller and abatement must be performed by a State Licensed Abatement Contractor according to abatement guidelines (24CFR35.1325 et seq) and included in the HUD publication "*Lead-Paint Safety, a field guide for painting, home maintenance, and renovation work*"

When all repairs have been made to the property the appraiser will re-inspect the property to insure that all the above conditions have been met. Seller shall furnish the appraiser with copies of all receipts for work done to correct the above requirements.

Sellers herein acknowledge receipt of this Notice:

Seller _____ Date _____

Seller _____ Date _____



EXHIBIT 4. – Promissory Note

CITY OF LODI

HOME First Time Homebuyer Program SECURED BY DEED OF TRUST

Borrower:

Property Address:

San Joaquin County, California

Lender: City of Lodi

Principal Amount:

Date:

The "Borrower(s)", for value received, promises to pay to the CITY OF LODI ("Holder"), 221 W. Pine Street, Lodi, California, 95240, or any other place designated in a writing submitted by Holder to Borrower, the principal sum of _____ plus interest on the unpaid principal balance according to the terms contained in this note.

Use of Funds: The loan is being made in order to assist me/us in purchasing the property at the address above.

Term: This Note shall be for a term of Thirty (30) years at which time all unpaid principal and interest remaining will be due and payable. Said maturity shall be on the same day of the year as the Date of this Note.

Interest: This Note shall bear interest on the unpaid principal balance from the Date (as stated above), and be computed as simple interest upon the unpaid balance of the principal amounts and at the annual rate of percent (%) (interest rate shall be 5 percentage points lower than the interest rate stated on the senior note but no less than 1%) until the principal balance of this Note and all accrued interest on the Note are paid in full.

Payments: No installment payments of principal or interest are required during the first thirty years after the making of this note at which time the note shall become all due and payable in lawful money of the United States.

Acceleration: This property must remain as the principal residence of the trustors' of this note and the principal and accrued interest stated in this note shall become all due and payable upon any total or partial sale, transfer, conveyance, assignment or lease of the whole or any part of the real property described in the Deed of Trust. The Holder may elect to waive this acceleration and allow this note to be assumed providing: the subsequent buyers qualify as a Low Income Family as per Section 92.254 of 24 CFR Part 92; the sales price is no greater than 95% of the median purchase price for a single



family home; the property meets the property standards described in Section 92.251 of 24CFR Part92; and the subsequent buyers assume the responsibility for the full repayment of this note subject to the terms and conditions of this note.

Obligations of Persons Under This Note: If more than one person signs this Note, each person is fully and personally obligated to keep all the promises made in this Note, including the promise to pay the full amount owed. The Note holder may enforce its rights under this note against each person individually or against all of us together. This means that any one of us may be required to pay the entire amount owed under this Note.

Giving of Notice: Unless applicable law requires a different method, any notice that must be given to me/us under this Note will be given by mailing it by first class mail to me/us at the property address above or at a different address if Uwe give the Note Holder a notice of a different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated in the first paragraph or at a different address if Uwe am/are given a notice of that different address

Recapture of Investment: Should the property be sold prior to the retirement of the note, to a Buyer that does not qualify as a Low Income Buyer, then the note shall become all due and payable and the entire downpayment assistance shall be recaptured from the net proceeds of the sale. If the net proceeds are not sufficient to recapture the full HOME investment plus enable the homeowner to recover the amount of the homeowner's downpayment, principal payments, and any capital improvement investment, the City will forgive up to 6% of the total HOME investment plus accrued interest for each year of ownership. The forgiveness of this debt shall in no way exceed the total amount of the homeowner's downpayment, principal payments, and capital improvement investments.

Subordination: This note shall be subordinate to the original senior loan, any refinancing or early pay-off or release of the note secured by the senior deed of trust shall cause this note to move into senior position.

(Form continues on next page with Attorney's Fees)



Attorney's Fees: Borrower(s) agrees to pay the following costs, expenses, and attorneys' fees paid or incurred by the Note Holder. If the Holder brings any action or proceeding in connection with the enforcement or collection of this Note, the Prevailing Party (as hereafter defined) in any such proceeding, action or appeal thereon, shall be entitled to reasonable attorney's fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term "Prevailing Party" shall include, without limitation, the party who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other party of its claim or defense. The attorney's fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorney's fees reasonably incurred.

In addition to the foregoing award of attorneys' fees, the Note Holder shall be entitled to its attorney fees incurred in any post judgment proceedings to enforce any judgment in connection with this Note. This provision is separate and several and shall survive the merger of this provision into any judgment.

Borrower (s): _____ Date: _____

_____ Date: _____



EXHIBIT 5. – Program Application Form

City of Lodi

First-time Homebuyer Downpayment Assistance Program Application

The City of Lodi First-time Homebuyer Downpayment Assistance Program provides deferred-payment, low-interest loans to assist low and very-low income families purchase a qualified home in the within the Lodi city limits.

Please complete the form and fax it, along with all supporting financial documentation (see checklist below), to **(209) 333-6842**. Alternately, you may mail or deliver the application to the following address:

City of Lodi
Community Development Department
221 W. Pine Street
Lodi, CA 95240

After receiving your application and all required supporting documentation, the City will determine whether or not you are eligible for assistance through the First-time Homebuyer Program. The City will notify you of your eligibility status. If it determined that you are eligible for assistance, the City will assist you in finding an eligible home and a primary lender. Further questions about the process or conditions of the First-time Homebuyer Program may be directed to the City of Lodi Community Development Department – Neighborhood Services Division at (209) 333-6711.

Application Checklist

Please include the following financial information for each household member who is over the age of 18. The City may request additional documentation of your income after reviewing your application.

- | | |
|--|---|
| <input type="checkbox"/> 2005 and 2006 1040 forms | <input type="checkbox"/> Homeowner hazard insurance policy |
| <input type="checkbox"/> 2005 and 2006 W-2s | <input type="checkbox"/> Annual tax bill |
| <input type="checkbox"/> Savings account statement(s), last 2 months | <input type="checkbox"/> Deed or title to property |
| <input type="checkbox"/> Eight recent pay stubs, Social Security award letters, etc. | <input type="checkbox"/> Checking account statement(s), last 6 months |
| <input type="checkbox"/> Divorce documents, showing child support and alimony | <input type="checkbox"/> Benefits statements (e.g., pension, Social Security) |

Maximum Income by Household Size

To qualify for the First-time Homebuyer Program, the household income must be equal to or less than the amount shown below for the number of persons in the household. The table below reflects the current (2007) income limits. These income limits are annually updated by HUD.

Maximum Income by Number of Persons in Household							
1	2	3	4	5	6	7	8
\$35,650	\$40,700	\$45,800	\$50,900	\$54,950	\$59,050	\$63,100	\$67,200



CITY OF LODI FIRST-TIME HOMEBUYER PROGRAM APPLICATION

APPLICANT INFORMATION				
Last Name:		First Name:		M.I.:
Street Address:		City:		State:
Social Security Number:	Gender: __M __F	Disabled: __Y __N		Birth Date:
Employer Name:				Employer Phone:
Employer Street Address:		City:		State:
Owned a home in the last 3 years? __Y __N				
CO-APPLICANT INFORMATION				
Last Name:		First Name:		M.I.:
Street Address:		City:		State:
Social Security Number:	Gender: __M __F	Disabled: __Y __N		Birth Date:
Employer Name:				Employer Phone:
Employer Street Address:		City:		State:
Owned a home in the last 3 years? __Y __N				
HOUSEHOLD COMPOSITION (List the head of your household and all members who live in your home. Give relationship of each family member to head.)				
Full Name	Relationship to Applicant	Date of Birth		
	Self			

INCOME INFORMATION				
	Applicant - Monthly	Applicant - Annual	Co-applicant - Monthly	Co-applicant - Annual
Wages, Salaries, etc.	\$	\$	\$	\$
Tips or Commission	\$	\$	\$	\$
Social Security	\$	\$	\$	\$
Retirement Funds	\$	\$	\$	\$
Unemployment Benefits	\$	\$	\$	\$
Worker's Compensation	\$	\$	\$	\$
Alimony, Child Support	\$	\$	\$	\$
Welfare Payments	\$	\$	\$	\$
Other:	\$	\$	\$	\$
TOTAL	\$	\$	\$	\$

ASSET INFORMATION				
Type	Cash Value	Annual Income from Assets	Bank Name	Account No.
Checking Accounts	\$	\$		
	\$	\$		
Savings Accounts	\$	\$		
	\$	\$		
Stocks	\$	\$		
Investment Real Estate	\$	\$		
Other:	\$	\$		
	\$	\$		
	\$	\$		
TOTAL	\$	\$		

LIABILITY INFORMATION (list outstanding obligations including auto loans, credit cards, charge accounts, credit union loans, personal loans, real estate loans, etc.)				
Type	Monthly Payment	Unpaid Balance	Creditor's Name	Due Date
	\$	\$		
	\$	\$		
	\$	\$		
	\$	\$		
	\$	\$		
	\$	\$		
	\$	\$		
	\$	\$		
TOTAL	\$	\$		

The information provided above is true and complete to the best of my/our knowledge and belief. I/We consent to the disclosure of such information for purposes of income verification related to my/our application for financial assistance. I/We understand that any willful misstatement of material fact will be grounds for disqualification.

Applicant

Date

Co-Applicant

Date

Race and Ethnicity Form

This information is confidential and is only used for government reporting purposes to monitor compliance with equal opportunity laws. This information will not affect your eligibility for the program that you are applying to. Please note that self-identification of race/ethnicity is voluntary.

Name: _____

<i>Ethnic Categories</i>	Select One
Hispanic or Latino	
Not-Hispanic or Latino	
<i>Racial Categories</i>	Select All that Apply
American Indian or Alaska Native	
Asian	
Black or African American	
Native Hawaiian or Other Pacific Islander	
White	
Other	

City of Lodi

First-time Homebuyer Downpayment Assistance Program

Information Release From

To Whom It May Concern:

I/We authorize the City of Lodi, and any credit reporting agency utilized by the City of Lodi to verify any information necessary in connection with a downpayment assistance loan application, including, but not limited to, the following:

1. Credit History
2. Bank Accounts
3. Employment and Income
4. Benefits

Authorization is further granted to use of photographic copy of my/our signature(s) below to obtain information regarding any of the aforementioned items.

Applicant	Signature
-----------	-----------

Social Security Number	Date of Birth
------------------------	---------------

Co-Applicant	Signature
--------------	-----------

Social Security Number	Date of Birth
------------------------	---------------

Name	Signature
------	-----------

Social Security Number	Date of Birth
------------------------	---------------

Name	Signature
------	-----------

Social Security Number	Date of Birth
------------------------	---------------



EXHIBIT 6. – Lending Guidelines

CITY OF LODI First Time Home Buyer Program

BORROWER ELIGIBILITY

MAXIMUM INCOME

Maximum family income from all sources must not exceed 80% of median income adjusted for family size as shown on the chart below. Please note that HUD annually updates income limits.

Household Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Income Limit	\$35,650	\$40,700	\$45,800	\$50,900	\$54,950	\$59,050	\$63,100	\$67,200

Please note that the Federal Guidelines do not allow averaging for the purpose of determining annual income, and require that the applicant's current income be projected forward to determine eligibility. If your applicant's income comes close to the limit or you have questions regarding calculation procedures, please contact the program administrators.

BUYER CONTRIBUTION

The Buyer will be required to contribute a minimum of 2% of the sales price, plus credit report fee.

LOANS

All loans will be will be 30-year fixed rate loans and interest buy-downs will not be allowed.

IMPROVEMENT BONDS (New Construction)

All improvement bonds shall be paid-in-full by the Seller in escrow.

DOWN PAYMENT ASSISTANCE

The City will provide up to \$60,000 in assistance secured by a silent second deed of trust at an interest rate of 2%. The note shall be all due and payable upon transfer, non-occupancy, or in 30 years, whichever occurs first.

DEBT RATIOS

The City wants to assist as many families as possible and therefore will provide the minimum assistance required to each qualified family. Consistent with this intent, the City requires that the buyer's front debt ratio be at least 29%. In addition, the City requires that the lenders follow good lending practices and, if ratios exceed 35% front or 45% back, compensating factors must be approved by the administrators.

PROPERTY ELIGIBILITY

PROPERTY TYPES

Only single-family residences are eligible. The SFR may be a detached unit, a condominium unit, or a townhouse unit. Units may be new construction or existing (a.k.a., a resale unit). New construction must be complete (i.e., all livable areas finished) and have a certificate of completion / occupancy.

PROJECT APPROVAL

A condominium or townhouse project must have approval from the first mortgage loan investor and insurer.

OCCUPANCY

Only owner-occupied primary residences are eligible.



CURRENT PROPERTY OCCUPANCY

The City will not pay relocation expenses for a tenant. If applicable, this factor must be disclosed to the seller prior to execution of a purchase contract. Therefore, the property to be purchased must be occupied by the owner/seller, vacant, or occupied by the Borrower (i.e., tenant purchase). If the property being purchased with the assistance of the FTHB program is occupied by any tenant at or after the time the buyer(s) execute the original contract of sale or if a tenant(s) has been asked to vacate the property in order to accomplish the sale, the property will be ineligible for the FTHB program.

LOCATION

The property must be located in the City of Lodi, California.

PURCHASE PRICE

The FTHB loan program sets a limit on the maximum purchase price based on the HUD FHA 203(b) limits. Subject to change, the current limit is \$362,790. The maximum purchase price may also be restricted by the lesser of the Borrower's ability to qualify the selected first mortgage loan or the loan program maximum dollar amount or loan-to-value.

PROPERTY SIZE

The FTHB does not state restrictions on the number of occupants per bedroom (but the property and the number of inhabitants must meet local housing codes).

ZONING

The area where the property is located must be zoned residential.

INSPECTION

The property must meet FHA housing quality standards for safe, decent, and sanitary livability. A representative of the City of Lodi must perform the inspection. A lead based paint assessment that meets Federal Standards will also be required if the home was built prior to 1978. This assessment must be performed by a State Licensed Lead Paint Inspector.

REHABILITATION

The property to be purchased must be in suitable condition to be habitable without any significant rehabilitation that would affect livability i.e. any required repair or rehabilitation must be complete prior to loan closing.

EQUAL HOUSING

The City of Lodi is a strong supporter of the Affirmative Fair Marketing legislation and requires that all Real Estate firms, Lenders, and Escrow Companies display the Equal Housing Logo in their advertising and at their place of business.

NOTICE

The City of Lodi is aware that most first time homebuyer households are not familiar with the terminology used in the real estate, lending and building industries. All Builders, Lenders and Realtors will make full disclosure of all costs, fees, assessments and the terms and conditions of the purchase prior to obtaining signatures. All advertising shall include the total cost to the Buyer. Any Builder, Lender or Realtor found to be using deceptive practices or misleading advertising will not be allowed to participate in the program.

CITY OF LODI

First-Time Homebuyer Down Payment Assistance Program Loan Package Checklist

Buyers Name: _____

Property Address: _____

- | | |
|--|--------------------------|
| 1. Program Application Form | <input type="checkbox"/> |
| 2. Purchase Agreement | <input type="checkbox"/> |
| 3. Seller of Existing Homes* | <input type="checkbox"/> |
| 4. Acquisition Notice | <input type="checkbox"/> |
| 5. Borrower's Affidavit | <input type="checkbox"/> |
| 6. Income Tax Return (3 years) | <input type="checkbox"/> |
| 7. Employment Verification | <input type="checkbox"/> |
| 8. Last 8 Months Pay Stubs | <input type="checkbox"/> |
| 9. W-2s | <input type="checkbox"/> |
| 10. Checking & Savings Account Statements (6 months) | <input type="checkbox"/> |
| 11. Loan Application | <input type="checkbox"/> |
| 12. MCAW | <input type="checkbox"/> |
| 13. Appraisal & CIR or MCRV&NOC | <input type="checkbox"/> |
| 14. Lead Base Paint Clearance (pre-1978) | <input type="checkbox"/> |
| 15. "Lead Base Paint" Disclosure | <input type="checkbox"/> |
| 16. CHFA Conditional Approval | <input type="checkbox"/> |
| 17. Estimated HUD-1 | <input type="checkbox"/> |
| 18. Credit Report | <input type="checkbox"/> |
| 19. Pest Report / Soil Treatment | <input type="checkbox"/> |

Title Company: _____ Phone No. (____) _____

Title Contact Name: _____ Fax No. (____) _____

Lender: _____ Phone No. _____

Lender Contact Name: _____ Fax No. _____

Sales Price: _____ Appraised Value: _____

Loan Amount: 1st _____ Loan Rate: _____ Loan Amount: 2nd _____

Family Size: _____ Monthly Income: _____ Number of Bedrooms: _____

Prior to Purchase House was occupied by: Seller ☐ Tenant ☐ Vacant ☐

Year House Built: _____ Ethnicity of Buyers: _____

Familial Status: _____

Top Debt Ratio: _____

Bottom Debt Ratio: _____

Program Administrator's Address:

City of Lodi Community Development
Department
P.O. Box 3006
Lodi, CA 95241-1910
Phone: (209) 333-6711
FAX: (209) 333-6842

NOTE: Send packages and direct communication to the program administrators:

* Not required for new homes



EXHIBIT 7. – Program Monitoring

CITY OF LODI

HOME First-Time Homebuyer Downpayment Assistance Program Monitoring

The City will perform an annual verification of the properties that have been assisted with HOME First-time Homebuyer Down payment Assistance as follows:

For loans up to \$15,000, the period of affordability is five (5) years and the loans will be monitored annually for each of the five (5) years. For loans between \$15,000 and \$40,000 the period of affordability and monitoring is for the first ten years of the loan. For loans above \$40,000 the period of affordability and monitoring is for the first 15 years of the loan.

Sixty (60) days prior to the anniversary date of the close of escrow, each homebuyer will be contacted by mail, telephone, or a personal visit to verify the names of each resident in the home.

Written verification will be placed in the project file. The verification should include the following data:

1. Name of the buyer of record
2. Address of the home
3. Date of close of escrow
4. Date of verification
5. Names of all residents as of the date of verification
6. Method of verification (letter, telephone call, personal visit)
7. Name of City /Consultant conducting the monitoring
8. Recommendation: if the original buyer is still living in the home there is no recommendation; if the buyer has moved, or the home is rented or uninhabited, action shall be taken to start collection procedures of the HOME funds.

Exhibit B

Income Qualification Limits

Source: State of California Housing and Community Development 2009 CDBG & HOME Income Levels
Effective April 27, 2009

30% AMI Limit

1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
\$13,350	\$15,300	\$17,200	\$19,100	\$20,650	\$22,150	\$23,700	\$25,200

50% AMI Limit

1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
\$22,250	\$25,450	\$28,600	\$31,800	\$34,350	\$36,900	\$39,450	\$42,000

60% AMI Limit

1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
\$26,700	\$30,540	\$34,320	\$38,160	\$41,220	\$44,280	\$47,340	\$50,400

80% AMI Limit

1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
\$35,650	\$40,700	\$45,800	\$50,900	\$54,950	\$59,050	\$63,100	\$67,200

Comments by the public on non-agenda items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted.

Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

Comments by the City Council Members on non-agenda items



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt resolution authorizing the City Manager to execute an Exclusive Right to Negotiate (ERN) with Eden Housing, Inc. regarding a Senior Housing Project at 2245 Tienda Drive.

MEETING DATE: August 5, 2009

PREPARED BY: Community Development Department

RECOMMENDED ACTION: Adopt a resolution authorizing the City Manager to execute an Exclusive Right to Negotiate (ERN) with Eden Housing, Inc. regarding a Senior Housing Project at 2245 Tienda Drive.

BACKGROUND INFORMATION: On April 1, 2009, the City Council authorized the City Manager to negotiate with Eden Housing, Inc. for an agreement to develop an affordable senior housing project at the property identified as 2245 Tienda Drive.

In the course of those negotiations, Eden Housing has performed its due diligence and has determined that, based upon the requirements for project funding that it will be pursuing, the ERN is the appropriate and acceptable document to demonstrate the requisite site control. Eden Housing's application to State of California Department of Housing and Community Development (HCD) for HOME funding will be submitted by the deadline on August 17, 2009.

The exclusive negotiation period for this project should last for 24 months, ending in August 2011. During the term of the agreement, the developer will be refining details of the project and financing, applying for the required entitlements from the city, as well as negotiating the terms of either a Disposition, Development Loan Agreement (DDLA) or an Option to Purchase and Purchase Agreement.

FISCAL IMPACT: None at this time.

FUNDING AVAILABLE: N/A

Konradt Bartlam
Community Development Director

KB/jw

APPROVED: _____
Blair King, City Manager

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE AN
EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT WITH
EDEN HOUSING, INC. REGARDING A SENIOR
HOUSING PROJECT AT 2245 TIENDA DRIVE

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute an Exclusive Right to Negotiate (ERN) Agreement with Eden Housing, Inc., a California corporation, for the development of an affordable senior housing project known as the "Tienda Drive Senior Housing Project," attached hereto marked Exhibit A.

Dated: August 5, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 5, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2009-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Conduct a Public Hearing to Consider Adoption of a Resolution Authorizing the Reallocation of Available Community Development Block Grant and HOME Program Funding to Eden Housing, Inc, for an Affordable Senior Housing Project.

MEETING DATE: August 5, 2009

PREPARED BY: Community Development Department

RECOMMENDED ACTION: Conduct a Public Hearing to consider adoption of a Resolution authorizing the reallocation of available Community Development Block Grant and HOME Program funding to Eden Housing, Inc. for an affordable senior housing project.

BACKGROUND INFORMATION: In 2006, the City Council allocated \$330,000 of our Community Development Block Grant (CDBG) funding toward the acquisition of land for an affordable housing project. Shortly thereafter, we supplemented that 2006 CDBG allocation with a combination of both CDBG and HOME fund program income that had been generated through our existing Housing Assistance Programs that serve low-income homebuyers and homeowners. We currently have a balance of \$1.1 million, detailed in Exhibit A, to use for the acquisition of land for an affordable housing project.

On April 1, 2009, the Council authorized the City Manager to enter into negotiations with Eden Housing, Inc. in regards to an affordable senior housing development located at 2245Tienda Drive, Lodi, California.

In order to accommodate Eden Housing's use of the those funds for land acquisition and pre-development costs, and to further substantiate the commitment of funding to this project for their subsequent applications for funding to the HUD 202 Program and the State Housing and Community Development Department HOME Program, the available funding will be allocated specifically to Eden Housing, Inc.

FISCAL IMPACT: N/A

FUNDING AVAILABLE: CDBG/HOME Program Funding

Konradt Bartlam
Community Development Director

KB/jw

APPROVED: _____
Blair King, City Manager

FUNDING AVAILABLE FOR EDEN HOUSING AFFORDABLE SENIOR HOUSING DEVELOPMENT PROJECT

CDBG	\$311,830.72	(2006 Allocation)		
	<u>\$449,988.79</u>	(Program Income - Rehab & GAP)		
	\$761,819.51		Total CDBG Funding	\$761,819.51
HOME	\$263,675.00	(Program Income - Other)		
	\$119,403.91	(Program Income - Habitat)		
	\$29,863.91	(Program Income - Rental Rehab)		
	\$412,942.82		Total HOME Funding	\$412,942.82
			TOTAL AVAILABLE FUNDING	\$1,174,762.33

RESOLUTION NO. 2009- ____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING THE REALLOCATION OF AVAILABLE COMMUNITY
DEVELOPMENT BLOCK GRANT AND HOME PROGRAM INCOME
TO EDEN HOUSING, INC, FOR AN AFFORDABLE SENIOR
HOUSING PROJECT

=====

WHEREAS, a total of \$330,000 in CDBG funds was allocated toward land acquisition for an affordable housing project as part of the 2006/07 annual allocation of CDBG/HOME Program funding; and

WHEREAS, the City of Lodi has pledged to provide a total of \$1.1 million toward the acquisition of land for a proposed affordable housing project; and

WHEREAS, on April 1, 2009, the Lodi City Council authorized the City Manager to enter into negotiations with Eden Housing, Inc. in regards to the development of an affordable senior housing project at 2245 Tienda Drive, Lodi, CA; and

WHEREAS, the City of Lodi has a balance of program income available in the Housing Assistance Program from previous down-payment assistance and housing rehabilitation loans that have been paid back in the past few years.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the reallocation of \$1,174,762.33 in available CDBG and HOME Program funding, as indicted below, to Eden Housing, Inc. for an affordable senior housing project in Lodi at 2245 Tienda Drive;

CDBG Allocation	\$ 311,830.72
CDBG Program Income	\$ 449,988.79
HOME Rental Rehab	\$ 29,863.91
HOME Habitat	\$ 119,403.91
HOME Other	<u>\$ 263,675.00</u>
TOTAL	\$1,174,762.33

Dated: August 5, 2009

=====

I hereby certify that Resolution 2009-____ was passed and adopted by the Lodi City Council in a regular meeting held on August 5, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



***Please immediately confirm receipt
of this fax by calling 333-6702***

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

**SUBJECT: PUBLIC HEARING TO CONSIDER REALLOCATION OF AVAILABLE
COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME PROGRAM
FUNDING TO EDEN HOUSING, INC., FOR AN AFFORDABLE SENIOR
HOUSING PROJECT**

PUBLISH DATE: SATURDAY, JULY 18, 2009

LEGAL AD


TEAR SHEETS WANTED: One (1) please

SEND AFFIDAVIT AND BILL TO:

RANDI JOHL, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, JULY 16, 2009

**ORDERED BY: RANDI JOHL
CITY CLERK**


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

LNS	Faxed to the Sentinel at 369-1084 at _____ (time) on _____ (date) _____ (pages)
	Phoned to confirm receipt of all pages at _____ (time) JMR _____ CF _____ MB (initials)



DECLARATION OF POSTING

PUBLIC HEARING TO CONSIDER REALLOCATION OF AVAILABLE COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME PROGRAM FUNDING TO EDEN HOUSING, INC., FOR AN AFFORDABLE SENIOR HOUSING PROJECT

On Friday, July 17, 2009, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider reallocation of available Community Development Block Grant and HOME Program funding to Eden Housing, Inc., for an affordable senior housing project (attached and marked as Exhibit A) was posted at the following locations:

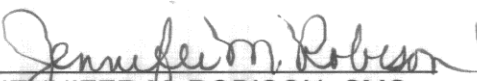
Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 17, 2009, at Lodi, California.

ORDERED BY:

**RANDI JOHL
CITY CLERK**


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA BECERRA
ADMINISTRATIVE CLERK



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: August 5, 2009

Time: 7:00 p.m.

For information regarding this notice please contact:

Randi Johl

City Clerk

Telephone: (209) 333-6702

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, August 5, 2009**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following item:

- a) **Reallocation of available Community Development Block Grant and HOME Program funding to Eden Housing, Inc., for an affordable senior housing project.**

Information regarding this item may be obtained in the Community Development Department, 221 West Pine Street, Lodi, (209) 333-6711. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 West Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

By Order of the Lodi City Council:

Randi Johl
City Clerk

Dated: July 15, 2009

Approved as to form:

D. Stephen Schwabauer
City Attorney



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorize City Manager to enter into a Professional Services Agreement with PALS to Perform the Shelter's Administrative Functions as Directed in the 2009/10 Budget.

MEETING DATE: August 5, 2009

PREPARED BY: City Attorney's Office

RECOMMENDED ACTION: Authorize City Manager to enter into a Professional Services Agreement with PALS to perform the Shelter's administrative functions.

BACKGROUND INFORMATION: Council considered this matter previously in adopting the 2009/10 budget. For the last several years, the City has faced problems in managing its animal operations. The primary difficulty has involved regular office hours: because the shelter is staffed with animal control officers who are often called away to enforcement duties, there have been times where the office had to be closed. Moreover, record keeping and processing (other than mandated records) occasionally lag for the same reasons. People Assisting the Lodi Shelter "PALS", who have a long history of partnership with the Shelter (including acquiring the current cat shelter building, installing the dog run and volunteer services), recognized the issue and approached Police Staff with an offer to staff the office, and provide professional administrative services to insure that the shelter can be open for adoptions and provision of other non-enforcement services during normal business hours.

Police Staff and PALS reached the attached draft agreement to recommend for Council consideration with the following primary terms:

- 1) Payment: PALS will be paid the gross collections from animal licensing, adoption fees and unaltered animal fees with a guaranteed minimum of \$50,000.00 per year.
- 2) Examples of PALS duties include:
 - a. City contracts with PALS to perform all adoption, fostering and other placement of all domestic animals that come within the possession of the Animal Services Division of the Police Department.
 - b. City contracts with PALS to process and maintain records of all donations and fundraisers to and for the Lodi Animal Shelter. All donations and fundraiser revenue will be applied by PALS for the benefit of the Shelter animals and accounted for to the City.
 - c. PALS will employ an Office Manager to oversee and maintain office systems that collect and generate animal data. PALS Office Manager will supervise and train office volunteers in data entry, adoption paperwork and telephone answering protocol.
 - d. PALS will staff the Animal Shelter from 9:00 am to 5:00 pm Monday through Friday and 11:00 am to 4:00 pm Saturday, noon hour lunch and City holidays excepted.

APPROVED:

Blair King, City Manager

- e. PALS will issue licenses for Shelter adoptions and walk-ins and collect licensing fees at the rate set by City Council.
 - f. PALS will issue license renewal reminders, collect license fees, issue licenses and maintain a license database at City's expense.
 - g. PALS will ensure that each animal admitted to the Shelter is administered a behavior assessment test. PALS will not place animals, and will issue and maintain records verifying the issuance of behavioral assessment warnings and liability waivers on forms provided by City for animals scoring below the thresholds set by the Police Chief.
 - h. PALS will issue spay/neuter vouchers to the public and track the individual vouchers and account to City for the value of outstanding vouchers.
 - i. PALS will transport PALS transferred animals for veterinarian care and spaying/neutering.
 - j. PALS will show animals during posted adoption hours PALS will prepare adoption paperwork.
- 3) The City of Lodi may at its option commission its independent accounting firm to conduct an annual audit of PALS at City expense. PALS shall make all records necessary for the audit to the auditor and make its staff available for interview within 3 days of the auditors request.
 - 4) PALS will process all paperwork for expenditures out of the City 2302 (spay/neuter prior to adoption) account and the City 2303 (veterinary services/spay/neuter at adoption) account and for the CDBG/HUD fund reimbursement account for approval by the Police Chief's designee.
 - 5) PALS will provide a fidelity bond to City in the amount of \$50,000.
 - 6) PALS services shall not include:
 - 1. Enforcement of animal ordinances.
 - 2. Response to emergency calls.
 - 3. Stray pick up.
 - 4. Euthanasia of shelter animals.
 - 5. Quarantine of animals.
 - 6. Intake at shelter to include vaccinations and medical evaluations.
 - 7. Cleaning of shelter kennels/cages and provision of food, litter and supplies for shelter.

FISCAL IMPACT: Payment of all license, unaltered animal and adoption fees to PALS to a guaranteed minimum of \$50,000/year. The 2009-10 budget reflects the following historical revenues for these two funds:

	2006-07 Actuals	2007-08 Actuals	2008-09 Budget	2008-09 Estimated Actuals	2009-10 Final
Animal Licenses	30,654	26,090	31,000	15,100	25,000
Animal Shelter Fees	26,495	28,348	33,000	22,500	25,000

D. Stephen Schwabauer, City Attorney

**PROFESSIONAL SERVICES AGREEMENT
FOR ANIMAL SHELTER SERVICES**

THIS AGREEMENT is made and entered into this day of _____, 2009 ("Effective Date"), by and between the CITY OF LODI, a municipal corporation ("CITY"), and PEOPLE ASSISTING LODI SHELTER, a 501(c)3 non-profit organization ("PALS").

W I T N E S S E T H:

A. WHEREAS, CITY proposes to have PALS provide animal shelter office management services as described in the Scope of Services; and

B. WHEREAS, PALS represents that it has that degree of specialized expertise contemplated within California Government Code, Section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

C. WHEREAS, CITY and PALS desire to contract for specific services in connection with the Lodi Animal Shelter located at 1345 W. Kettleman Lane, Lodi, California, and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

D. WHEREAS, no official or employee of CITY has a financial interest, within the provisions of California Government Code Sections 1090-1092, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

1.0. SERVICES PROVIDED BY PALS

1.1. Scope of Services. PALS shall provide the professional services described in the Scope of Services attached hereto as Exhibit "A" and incorporated herein by reference.

1.2. Professional Practices. All professional services to be provided by PALS pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professionals in similar fields and circumstances in accordance with sound professional practices. PALS also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise CITY of any changes in any laws that may affect PALS's performance of this Agreement.

1.3. Warranty. PALS warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and

local laws and ordinances applicable to the services required under this Agreement. PALS shall indemnify and hold harmless CITY from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against CITY for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of PALS's performance under this Agreement.

1.4. Non-discrimination. In performing this Agreement, PALS shall not engage in, nor permit its agents to engage in, discrimination in employment of persons, or provision of services to persons, because of their race, religion, color, national origin, ancestry, age, physical handicap, medical condition, marital status, sexual gender or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code. Violation of this provision may result in the imposition of penalties referred to in Labor Code, Section 1735.

1.5. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of CITY. PALS may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at PALS's sole cost and expense.

1.6. Background Checks/City Approval. All PALS employees and volunteers performing services under this Agreement shall pass a City fingerprint and background check. City shall, in the exercise of its reasonable discretion, have authority to approve or disapprove of all onsite employees and volunteers.

2.0. COMPENSATION AND BILLING

2.1. Compensation. PALS shall be paid the entire gross proceeds from its collection of animal licenses, adoption fees and unaltered animal fees for its services under this Agreement by City. In no event will that amount be less than \$50,000.00 per year paid in equal monthly installments. Collections in excess of \$50,000.00 will be paid at the end of each fiscal year.

2.2. Additional Services. PALS shall not receive compensation for any services provided outside the scope of services specified in the Scope of Services unless CITY, prior to PALS performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are unenforceable.

2.3. Method of Billing. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of PAL's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to CITY for inspection and/or audit at mutually convenient times for a period of three (3) years from the Effective Date of this Agreement.

3.0 TIME OF PERFORMANCE

3.1 Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall commence within ____ () days from the Effective Date of this Agreement. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination of this Agreement.

3.2 Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party.

4.0 TERM AND TERMINATION

4.1 Term. This Agreement shall commence on the Effective Date and continue for a period of ____ () years, ending on _____. At CITY's sole option, exercised in writing, this Agreement shall be renewable for two (2) successive one (1) year periods unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

4.2 Notice of Termination.

(a) CITY reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing written notice to PALS. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, PALS shall immediately stop rendering services under this Agreement unless directed otherwise by the CITY.

(b) In the event PALS elects to terminate this agreement after the initial ____-year period, it shall provide a written Notice of Termination to CITY. Upon receipt of such Notice of Termination, PALS shall continue to provide services consistent with the services identified in this Agreement to the CITY for a minimum of ____ following the date of delivery of the written Notice of Termination to CITY.

4.3 Compensation. In the event of termination by CITY, CITY shall pay PALS for reasonable costs incurred and professional services satisfactorily performed up to and including the date of CITY's written notice of termination. Compensation for work in progress shall be prorated as to the percentage of work completed as the effective date of termination in accordance with the fees set forth herein.

4.4 Documents. In the event of termination of this Agreement, all documents prepared by PALS in its performance of this Agreement shall be delivered to the CITY within ten (10) days of delivery of termination notice, at no cost to CITY. Any use of uncompleted documents without specific written authorization from PALS shall be at CITY's sole risk and without liability or legal expense to PALS.

5.0. INSURANCE

5.1. Minimum Scope and Limits of Insurance. PALS shall obtain and maintain

during the life of this Agreement all of the following insurance coverages:

(a) Comprehensive general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate.

(b) Automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate.

(c) Workers' compensation insurance as required by the State of California.

(d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate. PALS shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

5.2. Endorsements. The comprehensive general liability insurance policy shall contain or be endorsed to contain the following provisions:

(a) Additional insureds: "The City of Lodi and its elected and appointed boards, officers, agents, and employees are additional insureds with respect to this subject project and contract with the City of Lodi."

(b) Notice: "Said policy shall not terminate, nor shall it be cancelled, nor the coverage reduced, until thirty (30) days after written notice is given to CITY."

(c) Other insurance: "Any other insurance maintained by the City of Lodi shall be excess and not contributing with the insurance provided by this policy."

5.3. Certificates of Insurance. PALS shall provide to CITY certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by CITY, prior to performing any services under this Agreement.

5.4. Non-limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which PALS may be held responsible for payments of damages to persons or property.

6.0. GENERAL PROVISIONS

6.1. Entire Agreement. This Agreement constitutes the entire Agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. CITY's Police Chief or his/her designee shall be the

representative of CITY for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the CITY, called for by this Agreement, except as otherwise expressly provided in this Agreement.

PALS shall designate a representative for purposes of this Agreement who shall be authorized to issue all consents, approvals, directives and agreements on behalf of PALS called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Additional Representatives. CITY shall designate an employee of CITY to work directly with PALS in the performance of this Agreement.

PALS shall designate a representative who shall represent it and be its agent in all consultations with CITY during the term of this Agreement. PALS or its representative shall attend and assist in all coordination meetings called by CITY.

6.4. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery, facsimile or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: a) at the time of delivery if such communication is sent by personal delivery; b) at the time of transmission if such communication is sent by facsimile; and c) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

If to PALS:

Attention: _____

If to CITY:

Blair King, City Manager
City of Lodi
221 West Pine Street
Lodi, CA 95240

With copies to:

D. Stephen Schwabauer, City Attorney
City of Lodi
221 West Pine Street
Lodi, CA 95240

David Main
Chief of Police
221 West Pine Street
Lodi, CA 95240

6.5. Drug-free Workplace Policy. PALS shall provide a drug-free workplace by complying with all provisions set forth in CITY's policy, attached hereto as Exhibit "B" and incorporated herein by reference. PALS's failure to conform to the requirements set forth in CITY's policy shall constitute a material breach of this Agreement and shall be

cause for immediate termination of this Agreement by CITY.

6.6. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.7. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in San Joaquin County, California.

6.8. Assignment. PALS shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of PALS's interest in this Agreement without CITY's prior written consent except to an affiliated organization formed by PALS for the exclusive provision of the services under this Agreement. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this Agreement. Regardless of CITY's consent, no subletting or assignment shall release PALS of PALS's obligation to perform all other obligations to be performed by PALS hereunder for the term of this Agreement.

6.9. Indemnification and Hold Harmless. PALS shall protect, defend, indemnify and hold harmless CITY and its elected and appointed officials, officers, and employees from any and all claims, liabilities, expenses, including attorney fees, damage to property or injuries to or death of any person or persons or damages of any nature including, but not by way of limitation, all civil claims or workers' compensation claims arising out of or in any way connected with the intentional or negligent acts, error or omissions of PALS, its employees, agents or subcontractors in the performance of this Agreement.

6.10. Independent Contractor. PALS is and shall be acting at all times as an independent contractor and not as an employee of CITY. PALS shall secure, at its expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for PALS and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder.

6.11. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by PALS or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of CITY. PALS agrees that any such documents or information shall not be made available to any individual or organization without the prior written consent of CITY. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of CITY and without liability or legal exposure to PALS. CITY shall indemnify and hold harmless PALS from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from CITY's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by PALS. PALS shall deliver to CITY any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files,

audio tapes or any other Project related items as requested by CITY or its authorized representative, at no additional cost to the CITY.

6.12. Public Records Act Disclosure. PALS has been advised and is aware that all reports, documents, information and data including, but not limited to, computer tapes, discs or files furnished or prepared by PALS, or any of its subcontractors, and provided to CITY may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 6250, *et. seq.*).

6.13. Prohibited Employment. PALS will not employ any regular employee of CITY while this Agreement is in effect.

6.14. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail.

6.15. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.16. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of CITY and PALS and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.17. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.18. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.19. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.20. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.21. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of

the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party is materially impaired, which determination as made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.22. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.23. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so, the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

CITY OF LODI, a municipal corporation

PALS, a California non-profit
corporation

Blair King, City Manager

(Print Name)

(Title)

ATTEST:

RANDI JOHL, City Clerk

Approved as form:

D. STEPHEN SCHWABAUER
City Attorney, City of Lodi



EXHIBIT A

SCOPE OF SERVICES

PALS DUTIES AND RESPONSIBILITIES:

1. CITY contracts with PALS to perform all adoption, fostering and other placement of all domestic animals that come within the possession of the Animal Services Division of the Police Department.
2. CITY contracts with PALS to process and maintain records of all donations and fundraisers to and for the Lodi Animal Shelter (the "Shelter"). All donations and fundraiser revenue will be applied by PALS for the benefit of Shelter animals and accounted for to CITY.
3. PALS will employ an Office Manager to oversee and maintain office systems that collect and generate animal data. PALS Office Manager will supervise and train office volunteers in data entry, adoption paperwork and telephone answering protocol.
4. PALS will staff the Animal Shelter from 9:00 am to 5:00 pm Monday through Friday and 11:00 am to 4:00 pm Saturday, noon hour lunch and City holidays excepted.
5. PALS will issue licenses for Shelter adoptions and walk-ins and collect licensing fees at the rate set by City Council.
6. PALS will issue license renewal reminders, collect license fees, issue licenses and maintain a license database at City's expense.
7. PALS will ensure that each animal admitted to the Shelter is administered a behavior assessment test. PALS will not place animals and will issue and maintain records verifying the issuance of behavioral assessment warnings and liability waivers on forms provided by CITY for animals scoring below the thresholds set by the Police Chief.
8. PALS will issue spay/neuter vouchers to the public and track the individual vouchers and account to CITY for the value of outstanding vouchers.
9. PALS will transport PALS transferred animals for veterinarian care and spaying/neutering.
10. PALS will show animals during posted adoption hours PALS will prepare adoption paperwork.
11. CITY may at its option commission its independent accounting firm to conduct an annual audit of PALS at CITY expense. PALS shall make all records necessary for the audit to the auditor and make its staff available for interview within 3 days of the auditors request.

12. PALS will process all paperwork for expenditures out of the CITY 2302 (spay/neuter prior to adoption) account and the CITY 2303 (veterinary services/spay/neuter at adoption) account and for the CDBG/HUD fund reimbursement account for approval by the Police Chief's designee.

13. PALS will provide a fidelity bond to CITY in the amount of \$50,000.

PALS services shall not include:

1. Enforcement of local and state laws pertaining to domestic animals.
2. Response to emergency calls.
3. Stray pick up.
4. Euthanasia of Shelter animals.
5. Quarantine of animals.
6. Intake at Shelter to include vaccinations and medical evaluations.
7. Cleaning of Shelter kennels/cages and provision of food, litter and supplies for Shelter.

EXHIBIT B
DRUG AND ALCOHOL POLICY

CITY OF LODI

ADMINISTRATIVE POLICY AND PROCEDURE MANUAL

SUBJECT: : DRUG-FREE WORKPLACE - *Policy*

DATE ISSUED: : May 7, 2008

SECTION: : D

REFERENCE: : Drug Free Workplace Act of 1988; Americans With Disabilities Act of 1990; The Rehabilitation Act of 1973.

SECTION 1: PURPOSE

City of Lodi is committed to protecting the safety, health and well being of all employees and other associated individuals in our workplace. We recognize that alcohol abuse and drug use pose a significant threat to our goals. We have established a drug-free workplace program that balances our respect for individuals with the need to maintain an alcohol and drug-free environment.

- This policy recognizes that employee involvement with alcohol and other drugs can be very disruptive, adversely affect the quality of work and performance of employees, pose serious health risks to users and others, and have a negative impact on productivity and morale.
- As a condition of employment, this organization requires that all employees adhere to a strict policy regarding the use and possession of drugs and alcohol.
- This organization encourages employees to voluntarily seek help with drug and alcohol problems.

SECTION 2: POLICY STATEMENT

It is a violation of our drug-free workplace policy to manufacture, use, possess, distribute, trade, and/or offer for sale alcohol, illegal drugs or intoxicants. Our drug-free workplace policy is intended to apply whenever anyone is representing or conducting business for the organization. Therefore, this policy applies during all working hours, lunch hours and whenever conducting business or representing the organization, while on paid standby, on or off City property including vehicles. Any individual who conducts business for the organization, is applying for a position, or is conducting business on the organization's property is covered by our drug-free workplace policy. Our policy includes, but is not limited to executive management, managers, supervisors, full-time employees, part-time employees, off-site employees, contractors, volunteers, interns and applicants.

Drug and alcohol consumption on and/or off the job can adversely affect job performance and employee/public safety. The City respects the privacy of its employees and contractors unless involvement with drugs and/or alcohol off the job adversely affects job performance and employee/public safety.

SECTION 3: COMPLIANCE

The U.S. Department of Transportation DOT has published 49 CFR Part 29, implementing the Drug-

Free Workplace Act of 1988, which requires the establishment of drug-free workplace policies and the reporting of certain drug-related offenses to the FTA. The (DOT) adopted 49 CFR Part 40 (Revised), which outlines procedures for transportation workplace drug and alcohol testing programs. This Policy incorporates these federal requirements for employees when performing safety-sensitive functions, as well as other provisions as noted.

The Federal Transit Administration (FTA) of the U.S. Department of Transportation 49 CFR (Code of Federal Regulations) Part 655 and 382 mandates urine drug testing and breathalyzer alcohol testing, for employees performing safety-sensitive functions. The regulation prevents the performance of safety-sensitive functions when there is a positive test result or test refusal. **A safety-sensitive function is:**

- 1) Maintenance personnel, who perform various repairs to revenue vehicles (including repairs, overhaul and rebuilding)
- 2) Employees with a commercial driver's license that will operate a revenue service, or non-revenue service DOT funded transit vehicle (includes the operation of the Lifts or anyone who assists passengers to assure they are secured in the vehicles).
- 3) Drivers operating a revenue service vehicle, including when not in revenue service.
- 4) Dispatch personnel and supervisors who control the movement of any revenue service vehicle.

Federal Contractors and grantees must certify that they will provide drug-free workplaces as a pre-condition to receiving a contract or grant from any Federal agency. Failure to comply with the requirements of the Drug-Free Workplace Act may result in the following sanctions:

- A. suspension of payments under the grant;
- B. termination of the grant; or
- C. debarment from any grant award from any Federal agency for a period up to five (5) years.

Such penalties may be applied to contractors/grantees who have made false certifications of compliance with the Act.

SECTION 4:

COMPLIANCE OF EMPLOYEES

All employees shall agree to abide by this condition of employment and shall notify the City of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.

In those instances where City employees, who are employed under Federal contract or grant, are convicted of criminal drug statutes violations occurring in the workplace, the City shall notify the grantor agency within ten (10) days after receiving notice from such employees or otherwise receiving actual notice of such convictions.

The City of Lodi shall require every covered employee who performs a safety-sensitive function as described in the FTA regulations Part 655 to submit to a pre-employment, post-accident, random, reasonable suspicion, return-to-duty or a follow-up drug and alcohol test as described in this policy. The City shall not permit any employee who refuses to submit to such tests to perform or continue to perform any safety-sensitive functions and is subject to disciplinary actions up to and including

termination.

Any employee (safety sensitive or non-safety sensitive) who refuses to comply with a request for testing, who fails to remain readily available for post-accident testing, who provides false information in connection with a test, or who attempts to falsify test results through tampering, contamination, adulteration or substitution, shall be removed from duty immediately. Refusal can include an inability to provide a specimen or breath alcohol sample without a valid medical explanation, as well as a verbal declaration, obstructive behavior, or physical absence resulting in the inability to conduct the test.

SECTION 5: ENFORCEMENT

In conjunction with Human Resources, department directors, managers, and supervisors are responsible for reasonable enforcement of this policy and the Drug-Free Workplace Procedure.

SECTION 6: SPECIFIC APPLICATIONS

Driver's License: Employees operating vehicles and equipment requiring the possession of a specified class, certificated or endorsed driver/operator license by the California Department of Motor Vehicles, or any other federal or state agency, may be subject to drug/alcohol screening in order to obtain and maintain such licensing

Accidents: Employees directly involved in an accident, including vehicular accidents, or who may have been involved in the sequence of events leading up to an accident, is subjected to testing as part of the accident investigation process. Notwithstanding laws to the contrary, the supervisor will determine whether employees should be directed for drug/alcohol testing based upon reasonable suspicion.

SECTION 7: Opportunities of Rehabilitation

The City of Lodi is committed to providing reasonable opportunities of rehabilitation to those employees with a drug or alcohol problem in accordance with the provisions of federal and/or state law.

An employee who has a drug and/or alcohol abuse problem and has not been selected for reasonable cause, random or post-accident testing or has not refused a drug or alcohol test or is not involved in disciplinary proceedings, may voluntarily refer her or himself to the Human Resources Manager or Internal Services Director, who will refer the individual to the City's Substance Abuse Professional at the expense of the employee. The SAP will evaluate the employee and make specific recommendation regarding the appropriate treatment. When an employee voluntarily refers her or himself for treatment, the employee may be eligible for sick leave and disability benefits. Employees will be allowed to take accumulated vacation time or may be eligible for unpaid time off to participate in any rehabilitation program at the employee's expense. In addition, the City of Lodi's voluntary Employee Assistance Program (EAP) is available to assist employees who seek help for alcohol or drug problems. Employees are encouraged to contact the EAP directly.

Supervisors/managers may refer an employee to the EAP for reasonable suspicion of drug abuse. Supervisors are encouraged to refer employees to the EAP for intervention. EAP services are confidential and supervisory referred employees are requested to sign a release of information for attendance purposes if sessions are scheduled during working hours.

SECTION 8: PRESCRIPTION MEDICATION /LEGAL DRUGS

A legally prescribed drug means that an individual has a prescription or other written approval from a physician for the use of a drug in the course of medical treatment. The misuse of legal drugs while performing transit business is prohibited at all times. Any employee taking any medication with a warning label will be required to provide the following:

The appropriate use of legally prescribed drugs and non-prescription medications is not prohibited. However, the use of any substance which carries a warning label that indicates that mental functioning, motor skills or judgment may be adversely affected must be reported to supervisory personnel. Medical advice should be sought, as appropriate, while taking such medication and before performing work-related duties.

An employee taking prescribed drugs which may interfere with safe work performance is required to provide written documentation from the prescribing physician indicating the level of interference with job performance. The prescription or approval must include the patient's name, the name of the substance, quantity/amount to be taken, the period of authorization and physician's signature that the employee may continue to perform safety-sensitive functions while taking such medication

The employee's immediate supervisor or department head shall determine on a case-by-case basis the employee's ability to perform employment responsibilities in conjunction with Human Resources. Failure to notify a supervisor may result in disciplinary action in accordance with City policy and procedure. An employee may be required to provide a statement from a licensed physician, indicating when the employee is able to work safely, or any limitations she/he may have while taking the prescribed medication.

SECTION 9:

PRE-EMPLOYMENT DRUG TESTING

As an employer the City is required to verify previous violations of DOT drug and alcohol regulations within the last two years of employment with a DOT regulated agency or employer.

An employer must obtain and review the information listed below from any DOT-regulated employer the employee performed safety-sensitive functions for in the previous two years. The information must be obtained and reviewed prior to the first time an employee performs safety-sensitive functions. If not feasible, the information should be obtained no later than thirty (30) days after the first time an employee performs safety-sensitive functions. The information obtained must include:

1. Information of the employee's alcohol test in which a breath alcohol concentration of 0.04 or greater was indicated.
2. Information of the employee's controlled substance test in which a positive result was indicated.
3. Any refusal to submit to a required alcohol or controlled substance test.
(including verified adulterated or substituted drug test results)
4. Other violations of DOT agency drug and alcohol testing regulations.

Applicants will be asked whether her or he has tested positive, or refused to test on a pre-employment drug or alcohol test while trying to obtain safety sensitive transportation work from an employer covered by a DOT agency during the past two years. If applicant admits that he or she had a positive test or refusal to test, the applicant will not be eligible for the position. Job offers made by the City of Lodi are

contingent upon the successful completion of a drug and/or alcohol screening. Testing for temporary hires will be evaluated on an individual basis by classification.

EXHIBIT C

CERTIFICATES OF INSURANCE



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorization to Solicit Bids for Artificial Turf Design Services

MEETING DATE: August 5, 2009

PREPARED BY: Interim Parks and Recreation Director

RECOMMENDED ACTION: Authorization to solicit bids for artificial turf design services.

BACKGROUND INFORMATION: Staff is requesting authorization to seek proposals for engineering and design services for the conversion of the existing grass athletic field at the Grape Bowl to synthetic turf.

Services will include studying current conditions, presenting options and recommendations, preparing drawings and bid specifications, providing cost estimates and participating in the bid process and construction administration of the construction contract upon bid award.

City Council gave approval for this project on April 15, 2009. Approval included the leveraging of \$150,000 from the sale of the Lockeford property for matching County funding and the use of \$1.2 million from the Park Impact Mitigation Fee to install an artificial turf field at the Grape Bowl. The City recently awarded a contract for \$300,000 for handicap access, and a local fund-raising effort has resulted in \$110,000 in contributions to commence with the Grape Bowl renovations.

Installing artificial turf at the Grape Bowl will greatly increase the availability of practice field space to the community. Most of the City's large athletic fields are also used as storm drainage basins, limiting their use during periods of wet weather. Installing artificial turf at the Grape Bowl will allow the facility to be used year-round, even during periods of wet weather.

Artificial turf is commonplace in public facilities. It is used on community fields in Roseville and Davis, at Manteca's Big League Dreams Sports Complex, at St. Mary's, Lincoln (Stockton), Calaveras and Sonora high schools and San Joaquin Delta College, among many other locations. Artificial turf costs less to maintain, eliminates the need for pesticides and fertilizers and allows for a 70 percent reduction in annual water use.

The Synthetic Turf Council estimates there are 3,500 full-size artificial turf athletic fields, and many other smaller applications such as playgrounds – including one recently installed at the White House. Although there has been discussion about potential health risks associated with lead in older artificial turf fields, health and environmental agencies have recently concluded artificial turf is safe.

The U.S. Consumer Product Safety Commission issued a press release July 30, 2008 (Release #08-348) titled, "CPSC Staff Finds Synthetic Turf Fields OK to Install, OK to Play On," and the New York State Department of Environmental Conservation on May 29, 2009 issued a press release titled, "Study Finds Crumb Rubber Poses No Significant Threat to Air/Water Quality: Tests Show No Health Concerns at Synthetic Turf Fields."

APPROVED: _____
Blair King, City Manager

In 2007, the California Office of Environmental Health Hazard Assessment released a 147-page report on the health effects from using recycled tires on playground surface and concluded risks are minimal (Evaluation of Health Effects of Recycled Waste tires in Playground and Track Products, January 2007).

FISCAL IMPACT:

The range of cost for design service is \$25,000 to \$35,000. Installing an artificial turf field at the Grape Bowl with its existing amenities is less expensive than constructing a new artificial turf field at another location and adding the same amenities as the Grape Bowl. Several conventional grass fields would need to be constructed to equal the same recreational capacity as one artificial turf field.

FUNDING:

N/A

James M. Rodems
Interim Parks and Recreation Director

cc: City Attorney
Parks Project Coordinator
Parks Superintendent
Purchasing Officer



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Nominating Representative from the City of Stockton to the Special City Selection Committee for Appointment to the San Joaquin Valley Air Pollution Control District Governing Board

MEETING DATE: August 5, 2009

PREPARED BY: City Clerk

RECOMMENDED ACTION: Adopt resolution nominating representative from the city of Stockton to the Special City Selection Committee for appointment to the San Joaquin Valley Air Pollution Control District Governing Board.

BACKGROUND INFORMATION: The City Clerk's Office received the attached letter from the San Joaquin Valley Unified Air Pollution Control District requesting that each city within San Joaquin County adopt a resolution nominating a candidate to fill the vacant position on the Governing Board, which must be filled by a council member from the city of Stockton.

According to the letter, the previous candidate did not receive sufficient votes from the cities within San Joaquin County. The application process was re-opened, and Stockton Mayor Ann Johnston and Council Member Elbert Holman both applied for the position. Following Council discussion, it is recommended that Council adopt the attached resolution nominating one of the two candidates to the Special City Selection Committee for appointment to the District Governing Board.

FISCAL IMPACT: N/A

FUNDING AVAILABLE: N/A

Randi Johl
City Clerk

RJ/jmr

Attachments

APPROVED: _____
Blair King, City Manager



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

GOVERNING BOARD

Chris Vierra, Chair

Councilmember, City of Ceres

Tony Barba, Vice Chair

Supervisor, Kings County

Judith G. Case

Supervisor, Fresno County

Ronn Dominici

Supervisor, Madera County

Henry Jay Forman, Ph.D.

Appointed by Governor

Michael G. Nelson

Supervisor, Merced County

William O'Brien

Supervisor, Stanislaus County

Leroy Ornellas

Supervisor, San Joaquin County

John G. Telles, M.D.

Appointed by Governor

Raymond A. Watson

Supervisor, Kern County

J. Steven Worthley

Supervisor, Tulare County

Vacant

Large City

Vacant

Large City

Vacant

Small City, Central Region

Vacant

Small City, Southern Region

Seyed Sadredin

Executive Director

Air Pollution Control Officer

Northern Region Office

4800 Enterprise Way

Modesto, CA 95356-8718

(209) 557-6400 • FAX (209)

557-6475

Central Region Office

1990 East Gettysburg Avenue

Fresno, CA 93726-0244

(559) 230-6000 • FAX (559)

230-6061

Southern Region Office

34946 Flyover Court

Bakersfield, CA 93308-9725

(661) 392-5500 • FAX (661)

392-5585

July 16, 2009

Randi Johl, City Clerk

P.O. Box 3006

Lodi, CA 95241-1910

**RE: APPOINTMENTS TO THE GOVERNING BOARD OF
THE SAN JOAQUIN VALLEY AIR POLLUTION
CONTROL DISTRICT**

Dear City Clerk:

According to the rotation schedule adopted by the San Joaquin Valley Special City Selection Committee (Committee), there is currently a vacancy on the Air Board that must be filled by a council member from the City of Stockton. Pursuant to the Health and Safety Code section 40600.5, appointments to the Air Board will be made by the Committee.

The only candidate from the City of Stockton who applied for the vacant position did not receive sufficient votes from the cities within San Joaquin County. Therefore, the application process was re-opened and all council members from the City of Stockton were invited to apply again.

According to the Committee procedures, the next step in the process is for San Joaquin County cities to choose from the candidates who have applied for the vacant position.

Mayor Ann Johnston and Council Member Elbert Holman are the only members on the Stockton City Council who have applied for this position.

Your City Council must vote on which candidate, if any, you wish to nominate to the Committee for appointment to the Air Board. The vote must take place as an item on your City Council's publicly noticed agenda, and be discussed during your regularly scheduled City Council meeting. Attached is a sample resolution for your consideration. Also attached are copies of the candidates' applications.

In order for your city's vote to be counted towards nomination to the Committee, you must return a copy of your City Council Resolution on this matter to the District by August 10, 2009, to the following address:

Seyed Sadredin
Executive Director/APCO
San Joaquin Valley Unified APCD
1990 E. Gettysburg Avenue
Fresno, CA 93726

Thank you in advance for your timely action on this matter. If you have any questions, please call me at (559) 230-6036.

Sincerely,

A handwritten signature in black ink, appearing to read "Seyed Sadredin", written in a cursive style.

Seyed Sadredin
Executive Director/APCO

Attachment:
Sample Resolution (1 Page)
Candidate Applications (5 Pages)



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

Received

JUL 13 2009

Executive Office
SJVAPCD

APPLICATION FOR APPOINTMENT AS A CITY REPRESENTATIVE
ON GOVERNING BOARD OF
THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT

Current Vacancy

Large Cities: One member each from city of Stockton.

If you are an elected official on the council for city of Stockton, you may submit an application for appointment to the Governing Board of the San Joaquin Valley Air Pollution Control District.

Applicant Name: Ann Johnston

Residence Address (Must live within the boundaries of the San Joaquin Valley APCD):
1132 Golden Oak Way, Stockton, CA 95209

Mailing Address:
425 N. El Dorado Street, Stockton, CA 95202

Telephone: (209) 477-7844 (209) 607-0103
Primary Alt.

Email Address:
ann.johnston@ci.stockton.ca.us

Applicant Signature:

Ann Johnston

Date: 7-6-09

Please submit this form along with any other pertinent information (e.g., resume, candidate statement, education, experience) that you desire to be considered to the address below. **Please limit candidate statement to no more than one page.** Please complete this application and return it by **July 15, 2009** to:

Seyed Sadredin
Air Pollution Control Officer
San Joaquin Valley APCD
1990 E. Gettysburg Avenue, Fresno, CA, 93726

ANN JOHNSTON

Occupation: **Mayor, City of Stockton**
425 N. El Dorado St
Stockton, Ca. 95202-1997
209-937-8499
e-mail: ann.johnston@ci.stockton.ca.us

Occupation: **President & General Manager**
The Balloonery, Inc.
1346 E. Harding Way, Stockton, Ca. 95205 (209-466-3601)
e-mail: balloonery@sbcglobal.net

Education: **San Francisco State College, B.A. Degree in Social Sciences, 1964; Secondary Teaching Credential, 1965.**

Elected Offices:

Mayor **City of Stockton, January 2009 to present.**

Member **Stockton City Council, January 1995 to December 2002**

Member **Lodi Unified School District Board of Education, 1979-1992**

Community Activities:

Member **CSUS Stanislaus Site Authority Board of Directors**

Member **Board of Directors, Workforce Investment Board**
June 1995 to present.

Member **Stockton Rotary, February 1994 to present.**

Honors **1993 Small Business Person of the Year Award, Greater Stockton Chamber of Commerce.**

1999 Athena Award, Greater Stockton Chamber of Commerce

2003 US Small Business Administration Women in Business Advocate of the Year Award

ANN JOHNSTON
Mayor

KATHERINE M. MILLER
Vice Mayor
District 2



CITY OF STOCKTON

OFFICE OF THE CITY COUNCIL

CITY HALL • 425 N. El Dorado Street • Stockton, CA 95202-1997
209/937-8244 • Fax 209/937-8568
www.stocktongov.com

ELBERT H. HOLMAN, JR.
District 1

LESLIE BARANCO MARTIN
District 3

DIANA LOWERY
District 4

SUSAN TALAMANTES EGGMAN
District 5

DALE FRITCHEN
District 6

CANDIDATE STATEMENT

San Joaquin Valley Air Pollution Control Board

As mayor of the largest city in San Joaquin County, I would be honored to serve on the SJ Valley Air Pollution Control Board. Our region needs to be at the table when policy discussions occur on how to improve valley air quality without compromising our economic development as a region.

To give you some personal history, I grew up on a family farm in Merced, attended college in Fresno, lived and worked in Modesto, and have resided in Stockton for over 32 years. My family has invested in valley agriculture and business for some 65 years.

My background as a retail business owner in Stockton for the past 28 years gives me a perspective on what should be realistic outcomes when balancing environmental law with practical implementation. My experience in dealing with state and federal regulatory agencies allows me to bring a business perspective as well as an elected official's knowledge of environmental mandates.

Our valley is struggling today to rise above an economic disaster area designation; we must work to balance the needs of our residents, our businesses, and the environment.

Thank you for consideration of my appointment to the Air Pollution Control Board.

A handwritten signature in cursive script that reads "Ann Johnston".

Ann Johnston
Mayor of Stockton



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

APPLICATION FOR APPOINTMENT AS A CITY REPRESENTATIVE
ON GOVERNING BOARD OF
THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT

Current Vacancy

Large Cities: One member each from city of Stockton.

If you are an elected official on the council for city of Stockton, you may submit an application for appointment to the Governing Board of the San Joaquin Valley Air Pollution Control District.

Applicant Name: ELBERT H. HOLMAN, JR	
Residence Address (Must live within the boundaries of the San Joaquin Valley APCD): 5831 Silver Oak Circle Stockton, CA 95219	
Mailing Address: 5831 Silver Oak Circle Stockton, CA 95219	
Telephone: (209) 473-2533 Primary	(209) 423-3778 Alt.
Email Address: dist1@ci.stockton.ca.us	
Applicant Signature: Elbert H. Holman	Date: 7/14/09

Please submit this form along with any other pertinent information (e.g., resume, candidate statement, education, experience) that you desire to be considered to the address below. **Please limit candidate statement to no more than one page.** Please complete this application and return it by **July 15, 2009** to:

Sayed Sadredin
Air Pollution Control Officer
San Joaquin Valley APCD
1990 E. Gettysburg Avenue, Fresno, CA, 93726

My name is Elbert Holman, Jr. I am a lifelong resident of Stockton, Calif. I attended local, secondary schools and also attended Cal Poly (SLO), and UOP.

I am presently retired after a 34yr law enforcement career. I spent 20yrs with the San Joaquin County Sheriff Department and 14yrs with the San Joaquin County District Attorney's Office. I retired in 2005 as the Chief of the Investigations Division. I am also a graduate of the prestigious FBI National Academy. In January 2009 I was appointed by the Stockton City Council to fulfill the unexpired term of Councilmember Steve Bestolarides who was elected to the San Joaquin County Board of Supervisors in the last election.

The San Joaquin Valley is projected to be one of the fastest growing areas in the U.S. and with that growth will come potential problems that could seriously affect our quality of health as it relates to the quality of the air in the valley. I feel that an efficient and effective strategy for the management of air quality in the valley is needed. The San Joaquin Valley has experienced the effects of a weak economy so any strategies have to be made so as not to disrupt any prosperity that has already been gained yet still be creative enough to develop viable alternatives to significantly reduce emissions and do so in a cost effective manner.

Over the course of my career I have had the experience of working with others to bring a solution to some complex problems. I would like to work with the members of this board to address the unique needs of the San Joaquin Valley as it relates to air quality. I believe I can do this openly and I will respect the opinions of others and I will look out for the interest of all valley residents.

I want to thank you in advance for your consideration of my application for this position.

Elbert H. Holman, Jr

Stockton City Council member, District 1

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL
NOMINATING STOCKTON (MAYOR or COUNCIL MEMBER)
_____ TO THE SPECIAL CITY SELECTION
COMMITTEE FOR APPOINTMENT TO THE DISTRICT
GOVERNING BOARD

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WHEREAS, Health and Safety Code Section 40600.5 created a Special City Selection Committee for the appointment of city members of the San Joaquin Valley Air Pollution Control District (District) Governing Board; and

WHEREAS, the Special City Selection Committee has adopted procedures and a rotation schedule for making its appointments, and based upon the adopted rotation schedule a city council member representing a "large" city with a population of 100,000 or more from San Joaquin County shall be appointed to the District Governing Board; and

WHEREAS, in selecting a nominee for appointment by the Special City Selection Committee to the District Governing Board, the City Council considered the application materials from the eligible candidate; and

WHEREAS, the vote to select a nominee took place as an item on the publicly noticed agenda and was discussed during the normal City Council meeting with time for public comment.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby nominate (Mayor OR Council Member) _____ from the city of Stockton to the Special City Selection Committee for appointment to the District Governing Board.

Dated: August 5, 2009

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I hereby certify that Resolution No. 2009-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 5, 2009, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

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AGENDA TITLE: Approve Legal Expenses Incurred by Outside Counsel/Consultants Relative to the Environmental Abatement Program Litigation (\$3,500.00).

MEETING DATE: August 5, 2009

PREPARED BY: City Attorney's Office

RECOMMENDED ACTION: Approve Legal Expenses Incurred by Outside Counsel/Consultants Relative to the Environmental Abatement Program Litigation (\$6,890.00).

BACKGROUND INFORMATION: Listed below is an invoice for services incurred relative to the Environmental Litigation that is currently outstanding and needs to be considered for payment.

Folger Levin & Kahn - Invoices Distribution

Matter No.	Invoice No.	Date	Description	Water Acct.
8002	115968	June-09	People v. M&P	\$3,500.00

FISCAL IMPACT: This expense will be paid out of the Water Fund.

FUNDING AVAILABLE: 184010.7323 - \$3,500.00

D. Stephen Schwabauer, City Attorney

APPROVED:

Blair King, City Manager